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# **East Europe Report**

**ECONOMIC AND INDUSTRIAL AFFAIRS**

**No. 1937**



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POLAND'S CRUDE OIL IMPORT-EXPORT SITUATION ANALYZED

Bydgoszcz GAZETA POMORSKA in Polish 3 Sep 79 p 4

[Article by Adam Gwiazda: "Prices of Crude Oil and Polish Imports"]

[Text] The increases in the prices for crude oil which have been carried out over the past five years by the Organization of Petroleum Exporting Countries (OPEC) have impacted unfavorably also on Polish imports, especially on the imports of fuels and energy. The rapidly developing processing industry in our country requires increased imports of raw materials and other materials, among which fuels and energy as well as raw materials for light industry and the chemical industry constitute the main positions in our imports. For their purchase in the past five-year period we have expended altogether 43 percent of the total import means, i.e., 58 billion foreign exchange zlotys, and the share of that import reached a level of over 18 percent of the total requirement of our industry for raw materials, fuels, and other materials.

The increases in the prices for crude oil also had a direct impact on the shaping of our trade balance, namely they caused, among others, a slackening of the economic activity of a majority of Western countries and as a result rendered our exports to the II payments area (highly developed capitalist countries) considerably difficult. While, in 1976, the excess of expenditures for imports over revenues from exports in our foreign trade amounted to 9,470.6 million foreign exchange zlotys, last year [1978] the debit balance of our trade balance decreased to 6,253.4 billion foreign exchange zlotys. The data for the first quarter of this year [1979] show a surfeit of the value of our exports over imports. Securing a lasting surfeit of our exports over imports requires increasing the exports over and beyond the plan to capitalist countries this year [1979] by 1 billion foreign exchange zlotys. In the present situation, when the next approximately 30-percent increase in the prices of crude oil was put into effect as of 1 July, it can be said that this is a task which is practically unfulfillable.

In turn, in order to cover our present requirement for crude oil, we must increase exports to the II payments area (capitalist countries) an average of 15 percent annually. Last year we were able to increase exports only



by 5.3 percent, of which 4.1 percent of the increase in the value of our exports resulted from the upward inflationary increase in prices. Meanwhile, this year (data for the first quarter) there was a 20-percent decline in our exports to capitalist countries.

Admittedly, last year there was a decline in our imports of fuels from the capitalist countries by 0.6 percent in comparison to 1977, however, a significant increase of these imports from the dollar zone should be reckoned with in the coming years. This results from the limited production possibilities of our main heretofore supplier of crude oil--the Soviet Union. For comparison, it is worthwhile to add that in 1978 the extraction of crude oil in the USSR amounted to 4,204,200 thousand barrels (1 barrel = approximately 159 liters), while the extraction of this raw material in the OPEC countries in that same year amounted to 10,913,204 thousand barrels. Whereas, however, the Soviet Union consumes a tremendous amount of its production of crude oil for its own needs, in the case of the OPEC countries it is exactly the opposite.

Deserving of emphasis is the fact that the export of crude oil and petroleum products from the USSR to the other CEMA countries will reach the level of 400 million tons (1 ton = approximately 7 barrels) in the 1976-1980 period and will be higher by 50 percent compared with the 1971-1975 period. In 1979 alone the volume of the Soviet export of crude oil and petroleum products will reach the amount of 80 million tons, while the price for crude oil from the USSR, at which it is sold to the other CEMA countries, is lower by approximately 25 percent from the world price level.

After 1980, the Soviet Union will not be able, however, to fully meet the requirements for crude oil of the other CEMA countries, including also Poland. According to some estimates, after this year the USSR will be earmarking all its crude oil surpluses for export solely to CEMA countries, while as a result of the increase in domestic consumption it will abandon completely the exports of this raw material to the capitalist countries.

A rather obvious conclusion ensues from the above: only a further increase in our exports to the II payments area will enable us in the future to cover our requirements for crude oil and petroleum products; one can go a little further here and state that even irrespective of whether this export will be more or less profitable for us. Just as the matter of our hard coal exports look at present--one of our basic commodities in the exports to capitalist countries. It should be mentioned here that there is a constant worsening of the price relationships between the prices of hard coal and the price of crude oil. At the end of 1978, approximately 600 kilograms of crude oil were obtained for one exported ton of coal, while from January to June 1979, only approximately 400 kilograms of crude oil [for one exported ton of coal].

This does not mean that one would have to considerably limit or even drop the export of coal and reduce the imports of crude (from a part of the coal in such a case liquid fuel can be manufactured, which is technically possible but economically not yet too profitable). It is impossible for many

reasons (consumption habits, development of motorization, etc.). It should be borne in mind also that the export of our hard coal gives us annually 1 billion dollars in revenues. In the present situation we cannot forego such incomes, all the more so since it is increasingly more difficult to place on the markets of the highly developed capitalist countries large quantities of industrial goods.

Therefore, as long as nuclear energy will not be more developed, our country, just as the entire world, will not be able to do without crude oil. To solve the energy problem, that means, regular deliveries of crude oil and other energy fuels should be sought via:

- reducing the consumption of crude oil through its more rational usage;
- reducing the imports of crude oil from the OPEC countries, which would contribute to a certain weakening of the position of that cartel and consequently to easing the price politics conducted by that organization;
- to become independent of mainly only one source of supply for crude oil in order to thereby reduce the probability of disruptions arising in the deliveries of crude in the case of a similar crisis arising, such as recently occurred in Iran from which country we imported also until recently considerable quantities of crude oil.

In addition, the larger geographic diversification of our crude oil imports would enable also a more flexible application of the barter transaction policy. In practice, this would mean that for the import of crude oil from particular developing countries, for example, from the not-yet-associated-with-OPEC Mexico, we could pay necessarily not only with foreign exchange but also with our commodities.

CSO: 2600



## INTERNATIONAL AFFAIRS

### BRIEFS

YUGOSLAV-ALBANIAN TRADE--According to the agreement, total trade between Yugoslavia and Albania this year will amount to \$56 million in value, or 20 percent more than last year. The foreign trade organization in Pristina "Eksimkos" handles about 30 percent of this trade and recently opened an office in Tirana headed by Nijazidin Nushi, graduate jurist. Economic relations between the two countries are expected to expand considerably in the future, Nushi said. "Eksimkos" exports electric equipment, among other things, to Albania, and imports consumer goods from Albania. The "Eksimkos" office in Tirana is the first Kosovo firm in Albania. Nushi said that relations between our firms and the Albanian enterprises, Albimpex, Makinaimport, Agroeksport, and Transshqip, are developing favorably and will agree on both sides. [Excerpt] [Pristina RILINDJA in Albanian 5 Sep 79 p 9] --The "Milan Zecar" plant in Urosevac will export 100 railroad carloads of edible oil valued at 21 million dinars to Albania this month. According to Sylejman Ferati, director of the factory, this plant has delivered to Albania 60 percent of the contracted amount, and the rest will be delivered in the next 10 days. [Excerpt] [Pristina RILINDJA in Albanian 24 Aug 79 p 1]

CSO: 2100

EXPERIMENTING, NONEXPERIMENTING ECONOMIC PRODUCTION UNITS COMPARED

Prague STATISTIKA in Czech No 6, 1979 pp 261-268

[Article by Eva Jindrova: "The Comprehensive Experiment in Management of Effectiveness and Quality"]

[Text] The 15th Congress of the Communist Party of Czechoslovakia identified as one of the main tasks for the Sixth Five-Year Plan the development and further improvement of management of the national economy in such a way as to assist in increasing effectiveness, mobilizing reserves, stimulating increased labor productivity and increasing output quality, creative energies and worker initiative. This aim will be furthered by implementation of the Comprehensive Experiment in Management of Effectiveness and Quality, whose aim is to test the operation of some existing and new elements in the system of plan management. It is based primarily on current state plan indicators, but also contains certain new or newly-organized indicators.

In the East Bohemian Kraj, 16 industrial production organizations, almost a fifth of the total number, are participating in the experiment. The results achieved in 1978, the first year of the experiment, are entirely favorable, particularly as regards the rapid increase of profitability. However, the areas of quality and production innovation are still among the weak links, which has had a negative effect on possibilities for sale in foreign markets.

Fulfillment of Production Assignments

The extent of fulfillment and the development of quantitative output indicators, even though they are not critical in terms of the experiment, has proceeded in an entirely favorable way. Although the rate of growth of output was a bit lower than for industry as a whole, the state plan assignments were fully met.

The plan for commodity production was fulfilled by all the organizations, while only Elitex Usti nad Orlici failed to meet the gross output plan (99.2%) as a result of continuing difficulties with deliveries from cooperating enterprises.

Table 1.

Ukazatel 1	Experimentující podniky 2		Průmyslové podniky 3 celkem	
	% plnění plánu 4	Index 78/77 5	% plnění plánu 4	Index 78/77 5
Výroba zboží 6	100,7	x	100,7	x
Hrubá výroba 7	100,5	102,6	100,7	104,7
Výkony bez vlivu zahraničního obchodu 8	100,7	103,7	100,8	104,8

- Key: 1. Indicator  
 2. Enterprises in the experiment  
 3. Industrial enterprises as a whole  
 4. Percent plan fulfillment  
 5. 1978/1977 index  
 6. Commodity output  
 7. Gross output  
 8. Performance exclusive of foreign trade

### Internal Added Value

The indicator of internal added value (vlastní vykony: contribution to total cost made by the plant in question--does not include materials costs) is a newly introduced indicator which is specific to the experiment. Its purpose is to help eliminate undesirable cooperation between enterprises and to favor abandonment of material-intensive production. The enterprises are given an incentive to fulfill this indicator primarily by its connection to the basic wage fund level.

The initial guideline plan for the enterprises in the experiment called for the creation of internal added value amounting to 2,074 million korunas. Even though the rules of the experiment favored the adoption of progressive plans, only five organizations took on higher targets. Five organizations' operating plans remained at the level of the initial guidelines, while the plans for the other six were below the guidelines. Thus for the totality of participating enterprises there was a decrease of 8.3 million korunas, or 0.4 percent, from the guidelines.

By the end of the year internal added value reached 2,097 million korunas, so that the guideline plan was 101.1 percent fulfilled and the operating plan 101.5 percent fulfilled. In comparison with 1977, the internal value added by the participating organizations increased by 6.0 percent. Among the individual enterprises, the largest increases were posted by Elitex Cerveny Kostelec (+25.7%), Kara Trutnov (+14.2%), Sroubarna Turnov (+10.3%) and Elton Nove Mesto (+9.5%). No organization posted a decrease. Only Elitex Tyniste failed to fulfill the operating plan (by 9.7%), when coordination between the production and financial plans was not achieved.

When the new indicator is applied to the totality of industrial enterprises, the results are also favorable: the plan was 100.3 percent fulfilled, and the year's increase was 6.4 percent. But a breakdown shows that in the organizations taking part in the experiment, increased profits always had a larger share in internal added value, a fact which manifested itself in their effectiveness.

Table 2. Main Factors in the Development of Internal Added Value.

1 Ukazatel	2 Experimentující podniky			3 Průmyslové podniky celkem		
	Skutečnost k 31. 12. 78 v mil. Kčs	% plnění plánu	Index 78/77	Skutečnost k 31. 12. 78 v mil. Kčs	% plnění plánu	Index 78/77
	4	5	6	4	5	6
Materiální náklady bez spotřeby materiálu 7	578,2	99,4	102,6	4 980,7	98,8	105,8
Služby nezát. povahy 8	57,4	96,9	101,3	575,3	105,5	110,4
Mzdové základy 9	419,7	100,6	103,9	6 523,1	100,7	103,1
Zisk 10	482,1	106,9	118,4	5 441,8	102,5	116,6
Podíl zisku na vlastních výkonech v % 11	22,9	105,3	111,7	29,71	102,2	109,5

- Key: 1. Indicator  
 2. Enterprises participating in the experiment  
 3. Industrial enterprises overall  
 4. Actual value as of 31 December 1978 (millions of korunas)  
 5. Percent plan fulfillment  
 6. 1978/1977 index  
 7. Material expenditures excluding material consumption  
 8. Nonmaterial services  
 9. Wage expenditures  
 10. Profit  
 11. Profit as percentage of internal added value

As follows from the development of the internal added value indicator, from the point of view of workers in the participating organizations the use of the indicator is a suitable and effective coordinating and motivating instrument for influencing the output structure in terms of both the production departments and commercial activity. In addition it has an important function as a control on material consumption; but at the same time there are hints that it does not provide sufficient incentive to conserve energy.

#### Product Quality and Innovation

In order to improve quality and increase innovation activity on the part of the enterprises, the provisions of the experiment aim at gradual elimination of the negative effects of indicators oriented toward quantity and at an increased influence for mechanisms leading to increased effectiveness and quality. Complex systems of product quality management have been introduced in

the enterprises, plan indicators of innovation and of increases in the technical and economic level of production have been employed, and the counting of products toward plan fulfillment has been made more stringent, and the mechanisms for economic incentives and for the use of prices in support of these goals have been adjusted.

The results achieved by participating organizations in the East Bohemian Kraj are, however, not entirely satisfactory in this area. The value of new products totaled 835.6 million korunas in 1978, 1.5 percent higher than in the previous year, but the proportion of total output value fell from 16.2 percent to 16.0 percent. Of the organizations in the experiment, eight, or fully half of the enterprises, had a decreased proportion of new product output.

Evaluations by state testing stations indicate that the technical level of production has also not made entirely adequate progress.

As a first step, 200 products, including 88 new ones, were evaluated. The value of these products was 125.1 million korunas, 1.4 percent greater than in 1977. The drop in their share of total output volume resulted primarily from more extensive evaluation by state testing stations, which took in 56 more products than in the previous year (most of them relegated to the lowest quality levels).

The following participating organizations have superior quality products in their production programs.

Table 3.

	Hodnota výrobků 1. st. jakosti v r. 1978 (tis. Kčs) 1	Podíl na celkové hodnotě zkoušených výrobků (v %) 1978 2
Elton Nové Město	56 951	67,4
Kovofinís Ledec nad Sázavou	58 984	62,8
Pleša Havlíčkův Brod	1 133	1,2
ŽAZ Vamberk	8 042	2,2

Key: 1. Value of products in the first quality class in 1978 (thousand korunas).  
2. Percentage of total value of products tested in 1978.

Of the total value of superior quality output, 36.3 percent comes from new products. Elton Nove Mesto was the largest contributor to their production, with 85 new products with a value of 44.2 million korunas winning assignment to the first class.

Among the products of the other seven organizations tested, none won a first class rating.



Products of the following enterprises were assigned to the third quality class:

Table 4.

	Počet výrobků 1	Hodnota výroby v tis. Kčs 2
Elitex Ústí nad Orlicí	1	131 607
Kovofinís Ledec nad Sázavou	1	93
ŽAZ Vamberk	2	240

Key: 1. Number of products.

2. Value of products, thousands of korunas

Thus negative results were decisive in Elitex Ustí nad Orlicí, where the BD 200 RC spindleless spinning machine (a new product) was assigned to the third class. On this ground, a sanction of 2,026 thousand korunas was assessed against the price of machines sold domestically. During the year, however, steps were taken to eliminate the shortcomings found by the testing station, and by the end of last year, on the basis of repeated tests the machine was reassigned to the second class.

Certificates of technically advanced production was secured from the central technical agency for 10 products, including eight new ones. The value of these products totaled 110.3 million korunas in 1978, 4.1 percent higher than in the previous year. However, there was no change in their share of total output value compared with 1977.

The value of technically obsolescent products fell from 25.0 million korunas in 1977 to 20.1 million, i.e. by almost 20 percent. Three enterprises had them in their production programs: Kovofinís Ledec nad Sázavou (12.2 million), Elitex Tyníste nad Orlicí (7.7 million) and TOS Svitavy (0.2 million).

One of the stimuli which should effect improvement of quality is increased prices for products assigned to the first quality class or classified as luxury or fashion items (enterprises suffer price decreases for products which do not measure up). In comparison with the previous year, the effect of these measures in the experimenting enterprises was:

price increases amounting to 35.9 million korunas, 45.2 percent above 1977 (six of the enterprises in the experiment benefited from these possibilities) and

price penalties amounting to 2.6 million korunas, an increase of 47.7 percent over the previous year (penalties paid by five organizations).

These results, which on balance were favorable, were accompanied by a lower level of claims. Last year they amounted to 57.5 million korunas, or 36.5 percent below 1977, while payments on claims decreased from 10.4 million to 9.1 million korunas.

## Sales

In sales, the experiment concentrates on fulfillment of the final sales plan and on its economic aspects, particularly export. Sales indicators are an important stimulus to work, particularly wage incentives, and allocations to the relevant funds also depend on their fulfillment.

The value of final sales was 2,413 million korunas at the end of last year, equal to 101.3 percent of plan and 113.2 percent of the actual value for 1977. These heights were reached primarily by sales for capital construction, but targets for exports to nonsocialist countries were not fulfilled. In comparison with the growth of sales in industry as a whole, with the exception of exports to the GDR a high rate and level of fulfillment was achieved in all economic areas.

Table 5.

Ekonomické směry odbytu <sup>1</sup>	Skutečnost 2 k 31. 12. 1978 v mil. Kčs VC	% plnění plánu <sup>3</sup>	Index 78/77 <sup>4</sup>
<i>Experimentující organizace 5</i>			
Finální odbyt 6	2 413	101,3	113,2
v tom: 7			
odbyt pro investice 8	236	126,9	119,2
odbyt pro vnitřní obchod 9	795	103,6	112,2
vývoz do SZ 10	880	108,3	134,0
vývoz do NSZ 11	502	81,4	82,2
<i>Průmysl celkem 12</i>			
Finální odbyt 6	20 402	101,7	103,7
v tom: 7			
odbyt pro investice 8	2 840	114,1	103,1
odbyt pro vnitřní obchod 9	9 221	99,5	104,3
vývoz do SZ 10	4 539	104,1	106,8
vývoz do NSZ 11	3 802	96,5	99,0

- |   |                                       |
|---|---------------------------------------|
| Key: 1. Economic areas of sales                                 | 7. Includes                           |
| 2. Actual, 31 December 1978, million korunas of wholesale price | 8. Sales for investment               |
| 3. Percent plan fulfillment                                     | 9. Sales for domestic trade           |
| 4. 1978/1977 index  | 10. Exports to socialist countries    |
| 5. Organizations in the experiment                              | 11. Exports to nonsocialist countries |
| 6. Final sales  | 12. Industry as a whole               |

The failure to fulfill targets for exports to nonsocialist countries was caused by these enterprises:

Elitex Cervený Kostelec (9.5%) as a result of unresolved relations with AS Investa, which refused to accept 50 BD 200 S 160 machines and made acceptance of them conditional on the trying out of this model in domestic spinning plants;

Elitex Ústí nad Orlicí (65.9%) because of provisos regarding the technical level of its machines imposed by AS Investa;

Kara Trutnov (82.6%): offered assortment not fully accepted by consignees; other requested types not available;

Rubena Nachod (98.5%): part of the plan assignment exceeded requirements of foreign trade enterprises; nonfulfillment of delivery orders as a result of demand stagnation.

Good results, on the other hand, were obtained in particular by Días Turnov, which exceeded its plan targets by 62.4 percent, and by ZAZ Vamberk, which exceeded them by 35.1 percent.

The assignments for export to socialist countries were fulfilled by all organizations in the experiment, as were shipments for internal commerce. Only Osinec Kostelec nad Orlicí failed, as a result of unplanned investment work, to fulfill its plan for shipments for investment (64.6%).

Differential indicators (ratio of franco value to wholesale price) are used in the experiment as a gauge of sales effectiveness in relation to foreign trade. On the average, the results achieved by the enterprises in the experiment are more favorable in this respect than they are for industry as a whole. But as regards fulfillment, plan assignments were not met and there was ultimately a drop in dealings with nonsocialist countries. In this area, the results are worse than for the totality of industrial enterprises in the kraj.

Table 6.

	Skutelnost 1 k 31. 12. 1978	% plnění 2 plánu	Index 3 78/77
<i>Experimentující organizace 4</i>			
vývoz do SZ 5	173,39	98,3	103,9
vývoz do NSZ 6	100,61	90,1	98,5
<i>Průmysl celkem 7</i>			
vývoz do SZ 5	127,56	100,8	104,1
vývoz do NSZ 6	89,24	97,6	101,2

Key: 1. Actual, 31 December 1978  
2. Percent plan fulfillment  
3. 1978/1977 index  
4. Organizations in the experiment

5. Export to socialist countries  
6. Export to nonsocialist countries  
7. Industry as a whole

The planned ratio of franco to wholesale prices in export to socialist countries was not met by four organizations participating in the experiment, while the same number of enterprises experienced a drop below the level of the previous year. In exports to nonsocialist countries, effectiveness dropped from the previous year's level in one enterprise, while four enterprises did not fulfill the operational plan.

### Finance Management

Finance management is one of the most important aspects of the experiment, for it reflects the results and effects of a number of measures instituted in connection with the experiment and the relevant indices have a fundamental effect on all future activity by the enterprises participating in the experiment.

Profitability of production assets is one of the main indicators in the experiment, and it is used for a synthetic characterization of economic effectiveness. In comparison with the indicator of profitability of expenditures used previously, it expresses not only the level of labor consumption, but also another aspect of management, utilization of assets.

The trend of profitability in the participating enterprises indicates that economic processes have been more effective than specified in the plan and than they were in the previous year. The results are also more favorable than for industry as a whole.

Table 7.

	Rentabilita z výrobních fondů (v %) 1		
	Skutečnost 2 1978	% plnění plánu 3	Index 78/77 4
Experimentující organizace 5	7,84	105,0	112,0
Průmysl celkem 6	8,90	101,0	106,7

Key: 1. Profitability of production assets 4. 1978/1977 index  
2. Actual, 1978 5. Organizations participating in the experiment  
3. Percent plan fulfillment 6. Industry as a whole

Among the organizations in the experiment, only Elitex Tyniste failed to meet the target for profitability (by 17%), while decreases in comparison with 1977 were posted by Sroubarna Turnov (by 11.5%) and Kovofinís Ledec nad Sazavou (by 2.7%). The main factor fostering an increase in profitability was the growth of profits. These increased by 48.2 million korunas, or 106.9 percent of the operating plan and 118.4 percent of the actual figure for 1977. The initial plan guideline was exceeded by 5.4 percent.

A factor analysis of profit increases indicates that the decisive factor in improvement of management results was decreased material intensity of production. The major negative factor was increased finance expenditures.

Table 8.

Faktory přírůstku (poklesu) zisku 1	Přírůstek (pokles) zisku v mil. Kčs 2	
	proti plánu 3	proti skutečnosti roku 1977 4
Růst výkonů 5	+ 3,2	+ 15,2
Materiální náklady bez odpisů vč. služeb nemat. povahy 6	+ 23,1	+ 91,3
Odpisy 7	+ 2,2	- 3,9
Mzdové náklady 8	+ 0,5	- 1,1
Finanční náklady 9	- 0,6	- 40,7
Ostatní vlivy 10	+ 2,7	+ 14,2
Přírůstek zisku celkem 11	+ 31,1	+ 75,0

- Key: 1. Factors in growth (decrease) of profits  
2. Growth (decrease) of profits in millions of korunas  
3. Compared with plan  
4. Compared with 1977 actual figure  
5. Increase in added value  
6. Material expenditures excluding deductions, including nonmaterial services  
7. Deductions  
8. Wage expenditures  
9. Finance outlays  
10. Other factors  
11. Total increase in profit

The planned ratio of material expenditures to output was decreased from 65.89 percent to 65.40 percent, i.e. by 0.6 percent. The ratio fell by 1.66 points compared with 1977. The decrease resulted primarily from relative savings in materials consumption. In decreasing material intensity of production, the organizations participating in the experiment had fundamentally better results than those for the kraj as a whole.

However, utilization of productive assets cannot be considered to have been positive, particularly as regards stocks. While the plan called for a 5.0% decrease in stocks compared with 1977, they actually increased by 2.8 percent. Thus the plan was exceeded by 8.3 percent. Although stock turnover decreased from 119.7 days to 118.7, this was 7.5 percent less than called for by the plan.

While five organizations decreased stock turnover time in comparison with the previous year, seven exceeded the plan. The overall situation with regard to stocks was most unfavorably affected by Elitex Cervený Kostelec, where stock turnover time increased by 72.7 days (70.5%), or 125.4 percent of the plan value. The main cause was nonfulfillment of the sales plan.



Table 9. Trends in Material Intensity of Production.

Ukazatel	1	Podíl na upravených výkonech			2	
		Skutečnost 1978	Rozdíl v bodech			4
			proti plánu	proti skutečnosti z. 1977		
Experimentující organizace	7					
Materiální náklady bez odpisů	8	65,67	- 0,42	- 1,66		
Spotřeba materiálu	9	57,22	- 0,29	- 1,66		
Průmyslové podniky celkem	10					
Materiální náklady bez odpisů	8	67,83	- 0,26	- 0,66		
potřeba materiálu	9	60,12	- 0,16	- 0,61		

- Key: 1. Indicator  
 2. Share of adjusted added value  
 3. Actual, 1978  
 4. Difference, points  
 5. Compared with plan  
 6. Compared with 1978 actual figure  
 7. Organizations in experiment  
 8. Material expenditures excluding deductions  
 9. Material consumption  
 10. Industrial enterprises overall

Fixed capital in the participating organizations reached 4,505 million korunas, or 99.9 percent of the plan, and 106.6 percent of the value for 1977. The high annual increase was reflected in an increase in fixed capital per worker and in labor productivity.

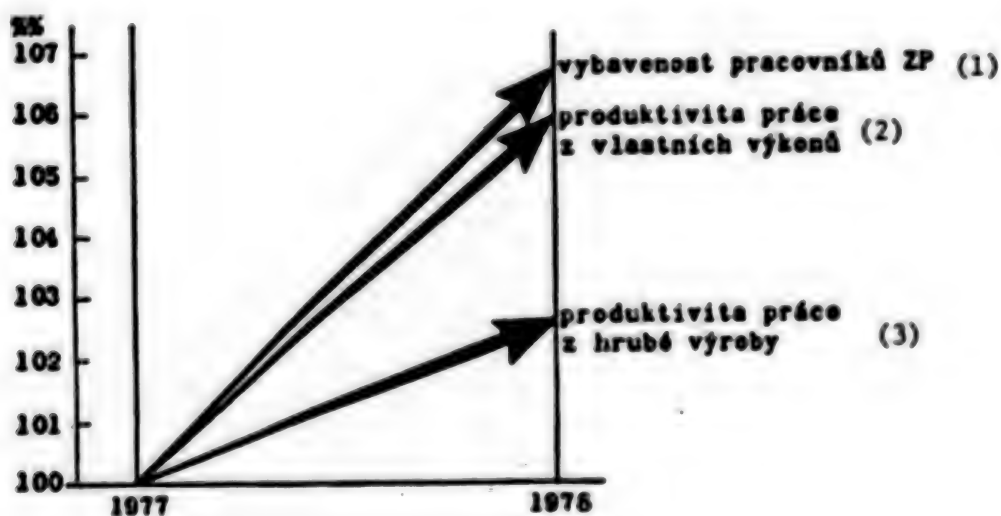


Fig. 1. Key: 1. Fixed capital per worker  
 2. Labor productivity in terms of internal added value  
 3. Labor productivity in terms of gross output

However, the graph clearly shows that fixed capital per worker increased more than labor productivity, i.e. in the course of the year there was a decrease in effectiveness (productivity) of fixed capital. Although this relationship is in accordance with the plan, it does not represent a move away from technology-intensive development, which has prevailed for a long period in our economy and is having a negative impact on effectiveness.

#### Wage Development

As a result of the achievements in effectiveness and quality of work, the organizations in the experiment in the East Bohemian Kraj experienced the following wage developments:

the average monthly wage of a worker reached 2,410 korunas;

the increase was 0.9 percent above plan (0.7 percent for industry as a whole);

there was an increase of 3.4 percent over 1977, i.e. the same rate as for industry as a whole;

the planned wage levels were not achieved by three organizations, and fulfillment levels ranged from 99.4 percent to 101.8 percent;

the year's wage increase for enterprises ranged from 1.6 percent to 6.2 percent;

in relation to the increase of productivity in terms of internal added value, the increase in average earnings was lower by 2.5 points.

In conclusion we may state that from the point of view of the enterprises the effect of the experiment has been predominantly positive. However, an important breach of its ground rules is the fact that in some cases stability of conditions and plan indicators with regard to superior organizations has not been assured, i.e. stability of economic conditions has not been assured (three organizations in the kraj were assigned tasks for only the current year by their superior agencies and not for the entire period through 1980). A correct allocation of monetary incentives from the experiment to individual production elements is an important political and economic task and the degree to which the experiment provides an impetus to quality and effectiveness depends on its correct implementation. Reservations have also developed concerning the continuing use of the gross output indicator, which in some cases is having a negative effect on the development of the quality indicators.

9427

CSO: 2400

## IMPORTANCE OF FALL FIELD WORK

Prague RUDE PRAVO in Czech 10 Aug 79 p 5

[Article by Eng. Miron Suskevic, CSc., of the Research Institute for Basic Agrotechnology at Hrusovany near Brno/

[Text] This year's weather is increasing the demands for fulfillment of the agricultural production plan, especially in plant production which is directly influenced by precipitation and temperatures. The uneven ripening time of crops and slight delays in starting the harvest create conditions causing stress in the fall work and intensify the usual fall work peaks. Added to this is the expected good harvest of feed and silage crops which will also mean increased demands for mechanization, transportation, labor and energy. All this could lead to a decline in the quality of fall work and thus to violation of the principles of proper agrotechnics.

The different results achieved by enterprises operating under the same production conditions and different yields within an enterprise on fields lying side by side with the same conditions, however, clearly show that in particular neglect of the most favorable times for planting makes it impossible to make use of the high yields of varieties of cereal grains and other intensification measures. Since we cannot expect drastic changes in the yields of varieties or in the quantity or quality of artificial fertilizers and pesticides in the next few years, we see the greatest gains to be made just by correcting or improving the deficiencies mentioned above and increasing the quality of work.

### The Importance of Timely Plowing

It is becoming ever clearer that in conditions of intensive farming production each agrotechnic measure must be subordinated not only to the needs and requirements of the crops being grown, but also to successful development of microbiological activity in the soil which occurs in the transformation of organic material in the soil in the process of mineralization and the creation of humus. When organic material is put into the ground under favorable conditions, the microorganisms multiply and can have an important influence on the whole sphere of nutrition in the soil. An unsuitable

course of microbiological decomposition of organic material in the soil can act in competition with the crops being grown since the microorganisms can block in their own plasma a significant portion of the nutrients from the decomposed material or even from supplies in the soil.

It has been proven that biological useful elements are released from material left after harvesting or appear as it decomposes, but which in greater concentration reduce the germination probability of seeds and slow down the growth of seedlings. Under favorable conditions this suppressive action stops or is greatly reduced after 25 to 30 days. It seems that exactly these factors are becoming the main theoretical justification for the necessary timeliness of working the soil, especially for winter crops where test results clearly show that the plowing schedule is more important than the depth to which the soil is worked in terms of the yield (for example, for winter wheat).

#### To Plow Under or Not

It is therefore very important to choose this year whether to plow under for the winter crops or to skip plowing under and do the plowing for the planting itself. One must keep in mind that under certain conditions the plowing under is still important. Of course, with a possible shifting of the schedule for plowing to the optimum limits of 3 to 4 weeks before sowing the winter crops it is necessary to stop with plowing done without any preliminary plowing under. If the interval between breaking the ground and sowing is longer than 6 weeks, we recommend plowing up the soil and then carrying out the plowing for sowing according to the agrotechnical schedule. If it is less than 6 weeks, it is better to immediately plow the loosened soil to a depth of 18 to 22 centimeters. In doing this the same principle as for plowing under applies, that it must be disced when dry and harrowed when wet.

Basically one can approach working the soil from two different viewpoints. In the dry regions all agrotechnical measures must be taken from the standpoint of preserving the soil moisture. In wet conditions where the ground is moist or even wet and muddy, the agrotechnics must help the soil to air out.

In the dry regions (production type corn and beets and in the transition potatoe regions) there is a definite requirement for application of the principle of minimalization where the depth to which the soil is worked is reduced, some individual operations are consolidated or not done at all, and in some cases the soil is left in its original composition without any working at all.

#### Minimalization--A Revolutionary Change

Minimizing working of the soil applies mainly to grains, while root crops should still receive good basic working of the soil with the application of manure and artificial fertilizers after plowing. This periodic deeper working of the soil is a prerequisite for successful minimalization. Light working



of the soil leads to an accumulation of organic material and microorganisms in the upper layer of the plowed fields. When sowing unworked ground a considerable part of the post-harvest remnants remains unscattered on the ground surface and will therefore cause a certain "spring cleaning" to be required where deeper plowing equalizes the conditions in the plowing profile.

Minimized working of the ground is truly a revolutionary change. Not only are high grain yields obtained while maintaining or increasing the fertility of the soil, but it also brings about a reduction in the requirements for labor and expenses and, what is currently very important, there is a significant saving in energy. The fuel savings per hectare range from 10 to 40 liters. This points the way to future new technological progress in working the soil not only in our country, but in all developed countries.

The usefulness of minimal working of the ground for grains and especially for winter wheat is supported by the discovery that grains do not respond particularly to deeper working of the soil and that their successful growth requires soil that is lightened rather than loosened. This also is confirmed by the fact that in regard to the common amount of fertilizer used today we do not demand of the ground worked that there is necessarily an accelerated mineralization of the post-harvest remnants and a release of nutrients to the crops. Therefore with crop rotation the depth of plowing for grains can be reduced, the operations consolidated, and under favorable conditions the seed can be sown by using the special 20 SEXBJ 150 equipment directly into the unworked soil.

#### The Results Speak for Themselves

Many years of testing and their operational results have confirmed the hypothesis that minimizing working of the soil, and especially the extreme method of minimizing (without working the soil), makes it possible to improve the quality of work and at the same time stick to the most favorable sowing schedule. This fact is particularly important in those cases where winter wheat is sown after other crops, such as tubers, silage, corn and grounds, which later put the fields in bad shape and to leave the soil to settle for 4 weeks after working and still sow on schedule is unrealistic.

On the basis of operational confirmation of the above technology, one can predict that in 1980 in the CSSR minimal working of the soil will be employed on 450,000 hectares and sowing unworked ground will be used on 269,000 hectares. In 1985, depending on mechanization, 700,000 hectares will be worked to a limited depth and sowing unworked ground could be employed on 473,000 hectares.

It is obvious that these data relate mainly to winter wheat grown on cultivated, fertile land under suitable climactic conditions. On the basis of material from the Bonitace Agricultural Land Trust of the CSSR, which provides the most precise and complete survey of our soil conditions to date, we have determined in using strict criteria, mainly the individual soil properties, that in the CSSR there are 3,150,000 hectares of arable land where one can minimize working of the ground and 2,400,000 hectares of this have suitable conditions for direct sowing in unworked soil.



## INTENSIFICATION OF BEEF CATTLE RAISING CONSIDERED NECESSARY

Prague ZEMEDLSKE NOVINY in Czech 28 Aug 79 p 3

[Article by (tch): "Easier But More Expensive"]

[Text] Our agriculture has achieved undeniable progress within recent years. According to decisive indicators, the production tasks are generally well fulfilled and it is happening even under conditions of considerable continuous structural changes, such as for instance the merger of smaller unified agricultural cooperatives into larger units, as well as reorganization of the state farms.

It is understandable that these changes brought with them many problems, for instance, they require new, more demanding organization and management. Nor can we overlook the fact that the production costs in some large production units have risen relatively steeply, especially those for transportation and administration. It will still take some time until managers are correctly orientated under the new production conditions. For instance, this year's comparatively well managed grain harvest is a symbol of the organizational consolidation of these large units. Another test will be the more demanding autumn, for instance, the harvest of corn, root crops, timely preparation of soil and of the seed stock.

Nor are we without problems in animal production; there are especially considerable insufficiencies in cattle breeding. Nor is it incidental that, for instance, worsened fulfillment of the planned production and procurement of milk is being manifested this year. Someone might plead that it is because of the spring drought that in the CSR alone the procurement of milk has lagged by more than 100 million liters since the beginning of this year, that production is even lower than it was last year. Naturally, the real cause can be found elsewhere. The raising of cattle has not become what it should be in our country, i.e., the mainstay of animal production. It is true we have adequate herds of cattle, but the decreasing number of milk cows is hard to reconcile. The inadequate management in the sheds, primarily those with a high concentration, is documented by the fact that we receive almost one-third of our beef production mostly from prematurely slaughtered cows, in spite

of the fact that a good manager always prefers longevity in order to decrease expenses for milk production.

As far as meat is concerned, in trying to fulfill the tasks planned we are still overwhelmingly oriented toward hog fattening, which is in direct contradiction to successful solving of the grain problem. We shall not reach this goal only by increasing yields, rather it is necessary to make a change also in grain consumption.

The 13th session of the CPCZ CC has justifiably and entirely logically oriented future development of animal production in unified agricultural cooperatives as well as on farms toward preferential raising and fattening of cattle. With some exceptions, we have sufficient quality bulk feed this year and also the fall will offer it in unusual quantity. Thus we shall be able not only to liquidate the deficiency stemming from a poor first harvest, but we shall also be able to insure a fodder reserve in this year of plenty. This is the way to effectively increase meat production without further increasing bulk feed consumption. Increased self-sufficiency in fodder is becoming an everyday priority for every agricultural enterprise.

Animal production which is strongly oriented toward grain consumption—for instance, even in typical potato growing areas, supported by large-scale production technology such as dry food fattening of hogs in localities which have annual surpluses of waste potatoes—is literally wasting precious fodder. However, nobody devotes serious attention to it. Also the price parities for beef in comparison with prices for hogs and poultry do not encourage managers of the agricultural enterprises to dedicate increased effort to cattle raising. Also, it is not an isolated case that with the generally low intensity of cattle raising this branch of production does not appear attractive for an agricultural enterprise.

Naturally, demands of the domestic meat market are forcing a more energetic reorientation toward this branch. Taking into consideration the structure of our agriculture and the large portion of meadows and pastures as well as other possibilities of the bulk feed production, it appears that to produce meat only at the cost of steadily increasing consumption of grains is very uneconomical and will become intolerable in the future. The decisive role falls to cattle raising and fattening. Our present way, i.e., the fact that we more rely on the hog and poultry fattening is admittedly easier, but substantially more expensive.

CSO: 2400

SPECIAL SHIFTS USED TO HELP MEET PLAN GOALS

Munich SUEDEDEUTSCHE ZEITUNG in German 6 Aug 79 p 4

[Article by Helmut Loelhoeffel, editorial staff: "Using Incentives To Meet Plan Goals"]

[Text] East Berlin, 5 August--New reports of success arrive daily from enterprises, combines and agricultural production cooperatives. And the slogan mechanism runs at top speed, like almost no other machine: the final drive is on in the GDR. This means not only getting over the rough spots fairly well this year, after frost and snow hampered its start; the next to last year in the current five-year plan (1976 to 1980) must also produce good results for the final tabulation before the subsequent 10th SED Congress.

The SED has set a target for all workers between the Baltic Sea and the Ore Mountains: to provide for additional daily production beyond the plan goal! And this is to be done "in honor of the 30th anniversary" of the GDR on 7 October. The SED's bezirk leadership in Dresden, for example, has coined the slogan "GDR 30 Speed" and the organ of the Magdeburg SED, VOLKSSTIMME, reported that workers have said: "We want to do more than the normal work!"

It may be inferred from this hectic urging that the GDR's economy is doing poorly. Plan targets have been amply exceeded or at least met in many enterprises, but these results, accordingly cheered in the press, are overshadowed by low outputs in construction, agriculture and services. The recently published midyear financial statements have revealed what the GDR's population sees and perceives daily: there are noticeable bottlenecks and where progress is being made, it is only at a snail's pace. The hard winter weeks in the beginning of the year are an explanation for some shortages, but no excuse. Notable sociopolitical progress--the year of maternity leave, more vacation time and shorter working hours--also cannot be given as a reason for slow economic growth. And errors in leadership have been corrected, so far as it is known, in only one important case: with the replacement of the minister for coal and energy by his former deputy.

The GDR's government and party leadership can now only hope that the harvest is being brought in properly and that there will be no other serious mishaps. If the people work together and make an exceptional strenuous effort in the second half of the year, the loss is perhaps recoverable. At the end of the year, no one will be asking any longer how the situation looked on 1 July.

The midyear financial statement has been doctored by statisticians so much that it looks relatively good at first sight. Instead of absolute figures, other comparative figures have simply been published in some problem areas when they provide a better picture than other usual reference standards. The GDR economy's key figure, "produced national income," was not listed at all. Western experts estimate that produced national income has grown by about 2 percent (according to the German Institute for Economic Research in West Berlin) and that industrial production has risen by only 3 percent from January to the end of June, whereas the plan scheduled 5.5 percent.

Anyone who read the doctored financial statements, however, knew what had to be done: SED activists in lagging enterprises immediately saw to it that special voluntary action was taken. Such paid Saturday shifts (scheduled for 15 and 22 September) are certainly not very popular, but no one can escape them the way then can evade the effect of hollow slogans, which make hardly any impression on most GDR citizens, since they have become hackneyed and are repeated over and over.

The desire for additional work and incentive for personal effort are also hampered by speculation about price increases. Low prices for rents, transportation charges and staple foods, kept stable with billions in subsidies, are the pride of the SED as before. How long can this go on? Reports of price increases in neighboring socialist countries are always interpreted by readers of GDR newspapers as a veiled announcement of similar measures in their own country and stir up rumor-mongers, since such a reality is denied. Although no one would believe that price increases will be implemented before the national celebration on 7 October, they could come after the end of the year.

Along with the Soviet Union, the GDR still has the lowest gasoline prices in CEMA, the communist economic community. A peculiar variant is seriously being discussed in East Berlin: the first 40 liters of gasoline each month would be sold at the old price (M 1.65). Anyone who buys more would have to pay more: about M 2.50 per liter. But it is questionable whether such a regulation would force a cutback in driving, since most car owners in the GDR have the money for more expensive gasoline and it is likely that consumption would barely decline. There would also be an undesirable secondary effect: besides the Deutsche Mark and "Forum Checks," valid only for Intershop purchases, there would be a third "currency" on the gray market--gasoline coupons for the inexpensive 40-liter allocation. But whether or not higher gasoline prices are decreed, in the meantime GDR residents must be satisfied with those in effect.

If more or faster progress is to be made, they must also "do more than normal." Sometimes a sense of humor also helps to make it over the rough spots. One reader of the Rostok OSTSEE-ZEITUNG commented on the obligation of female workers in the state clothing factory "Diamant" in Grevesmuehlen to produce 245 more pairs of pants each month: "Hopefully they won't just be short pants."

11915

CSO: 2300



GERMAN DEMOCRATIC REPUBLIC

PROBLEMS CITED IN INDUSTRIAL DESIGN DEVELOPMENT

Cologne DEUTSCHLAND-ARCHIV in German Vol 12 No 8, Aug 79 signed to press  
27 Jul 79 pp 865-871

[Analysis by Kurt Erdmann: "Industrial Design in the GDR." A translation of the East Berlin EINHEIT article by Dr Martin Kelm, state secretary, director, Office for Industrial Design, GDR Council of Ministers, cited in footnote 65 below, is available in JPRS 73195, 11 Apr 79, No 1879 of this series, pp 21-27]

[Text] Design Deficiencies

In contrast to an increasing significance for design in leading industrial countries having a free-market system, not only in connection with consumer goods but also in its clear "shift towards the producer-goods sector,"<sup>1</sup> there is frequently a design shortfall in socialist countries which have central management and planning--deficiencies which are in large part due to that type of economic system and which in some cases are relatively large. This is by no means in accordance with an ideologically motivated claim to leadership with respect to questions of design.<sup>2</sup>

Since the beginning of the 1960's only a few experts in the GDR, including above all Kelm,<sup>3</sup> had championed the importance of design, and although this was done energetically the practical result was still extremely unsatisfactory. The design campaign which was launched in the GDR about 2 years ago now and the promoting of industrial designing as "an effective market factor"<sup>4</sup> are due preeminently to growing economic difficulties. Various different factors play a role in this. Without laying claim to completeness, we should mention in this connection, among other things, a lack of competitiveness on the international market, increasing inventories of hard-to-sell products because of better knowledge of merchandise and more critical buying decisions by the consumers on the domestic market, and the overcoming of business inertia toward innovation or heightened expectations with respect to incentives from the direction of improved supplies and greater work satisfaction.

Important measures of the GDR economic leadership for propagating design considerations are similar to devices which have already proved their worth in the FRG--for example, in connection with the annually bestowed Federal prize "Good Form,"<sup>5</sup> and with incentive prizes or awards. The central technical agency in this case is the Council for Designing<sup>6</sup> in Darmstadt.

#### New Governmental Honors

An "incentive prize for good designing achievements,"<sup>7</sup> a recognition aimed at the younger generation (up to the age of 30 years) which was established in the GDR in 1978, was awarded for the first time on 29 May 1979 at the Dessau Bauhaus to young designers (alumni of the Advanced School for Industrial Design, Halle) and to a student collective of this school.<sup>8</sup>

The "Burg Giebichenstein" Academy of Art in Halle<sup>9</sup> obtained in 1958 the status of an advanced school, and since then it has specialized to an increasing degree in the training of designers. It has likewise taken over functions in the sector of product styling, among other ways in the form of long-range basic contracts with collective combines and State-owned enterprises.

The incentive prize, as well as the provisions concerning the bestowal of two other distinctions in this field, is based on a resolution by the Secretariat of the SED Central Committee and the Presidium of the GDR Council of Ministers concerning "measures for the more effective achieving and stimulating of industrial designing" of 13 February 1978<sup>10</sup>--designated in what follows as the "Design Resolution." Having the responsibility for the selection and awarding in each case is the Office for Industrial Design (AIF)<sup>11</sup> in East Berlin.

The offering of a "Design Prize of the GDR"<sup>12</sup> for "outstanding achievements" by persons or collectives "on behalf of the GDR"<sup>13</sup> is to ensue on the occasion of the "Design Forum" of an AIF conference being held from 19 to 21 September 1979 at the Palace Hotel in East Berlin, on the last day of these events.<sup>14</sup> According to the "Order Concerning the Awarding...", the 7th day of October--the "Day of the Republic"--is designated for the first bestowing of this prize (§ 5).<sup>15</sup>

"Good Design" is the third in this series of new distinctions which have already been bestowed within the last 1 1/2 years. It is regarded as a "governmental recognition shown to enterprises and collective combines for outstandingly designed products from the production sector of the GDR"<sup>16</sup> and it is conferred in each case at the time of the trade fair. For the fashioning of a corresponding medal, the AIF had announced a "restricted competition."<sup>17</sup> The result of a signal for a "good GDR design" was a plaque fashioned by Dietrich Otte consisting of two black-and-white "interlocked circular discs"<sup>18</sup> made of Dresden china.

Up to now there have existed for products only the ratings "Supreme Designing Achievement" (SL) and "Good Designing Achievement" (GL),<sup>19</sup> which can be bestowed by the AIF "within the framework of its public assessing of quality" and which as a rule permit the enterprise concerned to increase its prices. The rating "SL" was for example recently conferred on "20 to 40 percent of the products of the various branches"<sup>20</sup> of the consumer goods industry.

A bestowal for the first time of the award and medal "Good Design" took place--ostensibly as an "immediate response"--only 1 month after the Design Resolution, at the spring fair in Leipzig in March 1978. "This award is to be made," it was explained on the occasion of its conferring by State Secretary Kelm, the head of the AIF, "wherever a supreme level of designing, measured by world standards, has been achieved. With that we wish to attain to a functional and esthetic optimization of the product's utility value."<sup>21</sup>

At that time, some 50 products, including 27 consumer goods, were awarded the new rating, and together with the awards given at the Leipzig autumn fair in the year 1978 there were 92 products in all, including 52 consumer goods, which were so distinguished. At the third conferring at the Leipzig spring fair of 1979, only 39 products were found worthy of distinction by the selection committee, as Kelm explained at a press conference on 13 March 1979 in Leipzig, on account of very stringent evaluation criteria. In the future, if anything a declining number of prizes can probably be expected, he said. Belonging to the list of those inducements engendered by the Design Resolution are likewise so-called target-meeting bonus arrangements between the AIF and industry--the first "target bonuses" were awarded on 29 September 1978 to four enterprises of the clothing industry.<sup>22</sup>

#### Industrial Styling or Design

Until recently, the designation "design" [German: "Design"] was taboo in the GDR on account of its ostensibly capitalist odium. It was said that there could not be "a 'free design' such as is proclaimed by many designers from capitalist countries--that is, free from profit interests of the capitalists,"<sup>23</sup> since this was always subject to the "competitive conditions, the manipulating of markets and wants" as well as the "interests of monopolism." Therefore in the GDR only the term "industrial styling"<sup>24</sup> [German: "industrielle Formgestaltung": translated as given in this section, translated as "industrial design" otherwise] has been commonly used. However, of late the terms "industrial styling" and "design" have been employed at least on an equal basis, whereby the designation "design" is moving more and more into the foreground. Professor Andrae, department headmaster of the Advanced School for Industrial Styling in Halle, justified this relatively rapid shift as follows: "With us as well, the international concept of 'design' (or 'designer') is now gradually gaining ground....Moreover, the term 'industrial styling' is not precisely translatable into Slavic languages. Incidentally, the designation 'designer' is liked very much by our young people, because in their opinion it sounds more elegant than 'industrial stylist.'"<sup>25</sup>

Characteristic of this somewhat unexpected change is the fact that in the first volume of the third edition of the "Oekonomisches Lexikon" [Economic Lexicon] which appeared in the spring of this year, any reference to the catchword "design" was still missing.

On the concept "industrial styling" or "design," Kelm made public in 1978 a relatively broadly formulated definition which can be viewed as a standard-setting one for the GDR: "A high design achievement is reached where technological, structural, material-saving, and low-cost features are united by the styling into a culturally valuable, economically attractive new entity."<sup>26</sup>

#### On the Development of Industrial Design

Fundamental endeavors in the direction of industrial styling or design can be noted in the GDR in fact only subsequent to the economic reform of the New Economic System of 1963. As early as at the Sixth Party Congress of the SED in January 1963, Ulbricht had found fault with the too-high inventories of "production which is not geared to high quality and variety"<sup>27</sup> in the consumer goods sector, and he had projected as a guideline the notion that what would now matter would be "no longer so much the quantity"<sup>28</sup> but rather a high quality and a range of products geared to demand.<sup>29</sup> Similar critical remarks by Ulbricht at the economic conference of the SED in June 1963 ("serious lagging behind in terms of variety and quality,"<sup>30</sup> products which "no longer" correspond "to the actual market situation,"<sup>31</sup> and also demands for "beauty of form and colorful design"<sup>32</sup>) found their principal embodiment in the "guideline for the new economic system of planning and management of the national economy" of July 1963 and in projections for the "achieving of a scientific-technical maximum standard" for all "P and E themes" (coming up to world standards, styling<sup>33</sup>).

The organizational consequences were more significant. Following an order by the minister for culture of 14 October 1963,<sup>34</sup> the "Institute for Applied Art" was transformed into a "Central Institute for Design" and was charged with the central function of "guiding, coordinating, and materializing industrial design." In 1964 there ensued the special attention paid to design in the field of merchandise classification by the then German Office for Measurement and Commodity Testing (DAMW).<sup>35</sup> A new transformation and subdividing occurred at the beginning of 1965 of the "Central Institute for Design," until then placed under the Ministry for Culture, into a "Council for Design" as the advisory organ and a "Central Institute for Design"<sup>36</sup> as the technically responsible agency.<sup>37</sup> Both of these now came under the DAMW and were thus shifted to the economic sector. The membership of the GDR since 1967 in the International Council of Societies of Industrial Design (ICSID) which was founded in 1957 and which several other CEMA countries had joined also by the middle of the 1960's,<sup>38</sup> underscores the growing importance which was attached to the aspect of design in the GDR.



The by-laws of the DAMW, which were amended in 1969,<sup>39</sup> made explicit reference in § 1 to "product design," and corresponding references are found in an "ordinance on ensuring high quality" published on the same date.<sup>40</sup>

Following a separation of the "Council" and the "Central Institute" from the DAMW and their analogous combining and reorganizing into an "Office for Industrial Design" (AIF) as an independent "central organ" of the GDR, beginning on 1 February 1972 this agency assumed all essential functions in the sector of the designing of industrial products,<sup>41</sup> although the issuing of by-laws for this new office was a long time in coming.

By means of a special order, the AIF was given a central position in the sector of contract control and supervision with respect to designing,<sup>42</sup> which was later on followed by other similar regulations.<sup>43</sup> Moreover, since that time design aspects were to be found in a number of other regulations--thus for example in the introduction, ordered in 1977, of a duties record-book system<sup>44</sup> or in the central national calculation standard for industrial prices.<sup>45</sup> The enactment of official by-laws for the AIF did not take place until November 1978<sup>46</sup>--that is, 6 years after its establishment. According to these by-laws, this office is a legal entity and a public-authority organization with headquarters in East Berlin. At the same time, it is considered to be an official agency of the GDR in the international field, especially in the CEMA.

As the "organ of the Council of Ministers for the management and planning of industrial design" in the GDR, not only is it given comprehensive functions (for example "implementation of national design quality control," "organization and coordination of scientific breakthroughs," "exerting of influence on the materialization of industrial design" or elaboration of the "general directions" of the development as well as the training of designers), but also it is granted extensive rights (for example imposing of "targets" on the enterprises, introduction of "measures" for improving designs, "influence" on the extent of "designing facilities" in industry, or the assessing of products by means of special ratings). The Product and Environmental Designing VEB falls under the supervision of this office. The various publications of the AIF--thus, in particular an abstracting service, an information service (handling among other things also reports and announcements about conferences and exhibitions), as well as the journal FORM + ZWECK--are mostly known only within circles of experts. This journal has appeared since 1968, at first twice a year, since 1974 four times a year, and since 1974 six issues per year have been published.<sup>47</sup>

#### Unsatisfactory Progress

Thus, not only are publications on problems of industrial designing or design to be frequently found nowadays in the technical literature, but



also this subject has been and is a topical subject of discussions at important conferences and meetings, as well as of examinations and interviews in the mass media of the GDR. Indicators of good design, which in the GDR are among the important criteria of product quality according to a "basic methodology on the assessment of the quality of industrial products" (TGL [GDR norm] 29432),<sup>48</sup> have meanwhile gained in status. According to an order concerning the drafting of the national economic plan of 1979, the quality goals for certain consumer goods and groups are to be coordinated with those of the AIF.<sup>49</sup> For the 1979 planning year,<sup>50</sup> for the first time around 200 design tasks were projected in the State Plan for Science and Technology and thus in the duties record books.

In the course of a massive criticism of a multitude of defects and malfunctions in the GDR's economic mechanism at the latest--the 10th--Conference of the SED Central Committee on 26/27 April 1979, indirectly critical remarks could even be noted about the design sector. Thus for example a rapid and imperative adjustment "to the conditions of the world market"<sup>51</sup> (Beil) was called for, or "a relentless drawing equal to the internationally highest levels" (Georgi),<sup>52</sup> which were reminiscent of the tenor of the statements made by Ulbricht in 1963. Central Committee commentator Jarowinsky commented on some corresponding measures: "The Politburo is setting the task of scrutinizing the research and development functions in all the collective combines and of ensuring that these will reach and help to determine to a greater extent the advanced international standards....Outstanding results are to be morally and materially encouraged in a more effective way."<sup>53</sup>

In any case, the switches had been thrown rather late for needed additional incentives in the direction of "international standards." Honecker himself had made the following comments, among others, on the goals of the GDR economic leadership pursued here in the sector of design, at the Eighth Conference of the SED Central Committee in May 1978: "The Secretariat of the Central Committee dealt with questions of industrial design as an important component of product quality. It resolved on measures to effectively promote and stimulate such design. Even in the early stage of development of new products, the designing must receive appropriate attention."<sup>54</sup>

In a critical and penetrating publication, the present leader of the AIF had stressed as far back as almost a decade ago that even "apparently insignificant criteria" such as design must not be neglected in assessing the total quality of a product, since otherwise it could fail to have any "market success."<sup>55</sup> In the course of time, this prognosis was confirmed for many products in the GDR. "Supreme achievements," it is being said today, "cannot be realized by acclamation."<sup>56</sup> Rather, it could be added, these need a multitude of long-range preconditions which have taken effect for a long period of time--preconditions which, however, had long been neglected by many enterprises in favor of quantitative

target fulfillment objectives. Therefore the market successes due to modern product design which were emphasized at that time by Kelm as exemplary--for example, the successes by Japan or the FRG<sup>57</sup>--frequently remained just wishful thinking in the GDR. In this respect the discernment by the SED that in this field there has been much too little done so far and therefore efforts must immediately be intensified many times over is surely scarcely astonishing. In the spring of 1978, Kelm characterized the situation as follows: "Not a few branches of industry have let themselves be pushed toward a so-called cheap-merchandise standard with many of their export goods, often in conjunction with correspondingly low export sales revenues."<sup>58</sup>

Petitions by the enterprises to the AIF with a view to more favorable assessment criteria are the wrong path, he said. Just as little can a lack of market success be blamed on a "too good design," if enterprises had waited "in vain for customers...without taking measures to influence the market." As in "capitalism," the "utilization...of design as a market factor" must also be incorporated in the GDR as well "at the leadership level of management" and "of research and development," since otherwise, he said, no export reserves can be tapped.<sup>59</sup>

#### Focal Points and Problems

On the occasion of the conferring of the award "Good Design" at the 1979 spring fair in Leipzig, representatives of the AIF commented at<sup>60</sup> a press conference on focal points and acute problems. To be emphasized in this connection are, among other things, the creation of special "design centers" both in the centrally managed and in the locally managed industrial sectors, as well as the personnel problems particularly associated with this; moreover, also to be emphasized are the importance of material economy for designing work and the strengthening and stimulating of awareness of design in the enterprises.

The setting up and development of special design centers which according to the "Design Resolution" is now to be expedited, both in a series of reorganized or newly created collective combines and also in the setting up of corresponding "territorial" technical agencies associated with the economic councils of the bezirks (for example, at Leipzig, Berlin, Erfurt), has by no means been concluded as yet. "Branch offices" of the AIF exist already in Halle, Dresden, and Karl-Marx Stadt.

Apparently, extreme difficulties are being encountered in trying to adequately staff these new posts with experts. "The existing potential force of designers is not sufficient to solve...the growing problems,"<sup>61</sup> and it is for this reason that questions of cadre personnel have played an important role in the "Design Resolution."

According to investigations made by the AIF, in August 1976 there were "in the industrial ministries at least 173 designing services,"<sup>62</sup> in

which 517 designers were employed. "Another 112 designers were distributed among 71 enterprises in which there were no designing facilities."<sup>63</sup> For the year 1978, a figure of 1,200 employed designers is mentioned,<sup>64</sup> and by 1980 some 200 additional designers are expected.<sup>65</sup> In addition there is a "still largely ineffective use made of the designers now on hand," since "seldom" are designers "incorporated in a managerial capacity in such a way that they can effectively exert an influence on research and development."<sup>66</sup> The findings which emerge from the AIF study: "No workrooms, no permanent posts, no investments,"<sup>67</sup> characterize the situation adequately.

The efforts being made to create incentives for the enterprises seem to have been intensified, because whereas in 1978 the range of surcharges on the manufacturer's price--different for each product group--was still between 0.5 and 16 percent,<sup>68</sup> in 1979 Kelm indicated to an employee of DEUTSCHLAND-ARCHIV at the above-mentioned press conference that there was now a maximum rate of 18 percent. With non-fulfillment or a deterioration of the level of designing, price reductions are provided for.

Also standing in the foreground in the design policy of the GDR is the special role of the intensification factor of "material economy." Material-saving technologies as well as the utilization and improvement of domestic raw materials, and with that the replacing of imported materials,<sup>69</sup> are regarded as important criteria for design evaluation and possible awards--but without, as Kelm repeatedly stressed, "developing into a designing of barrenness and asceticism."<sup>70</sup> Within the framework of some design assignments, weight savings for products have been achieved of up to 45 percent,<sup>71</sup> which however often scarcely requires a special exertion, given the existence as much as ever of an inclination toward a "tonnage ideology."

#### Outlook

All the efforts of this design policy, at present being expedited on the basis of central instructions, and its manifestations--here for the most part only briefly mentioned--can be related to the program for the intensification and rationalization of the rational economy which has been vigorously pursued by the GDR. Considered to be a part of this, equally with some of the goals of the current organizational changes in the collective-combine sector, is likewise the goal of "shaking up" enterprises in order to in this way snap them out of quantitative quota fulfillment concepts and a traditional fixation on a "sellers' market." Aside from the additional pressure for an increased regard for science and research, the pressure arising from the micro-electronics sector for generally higher manufacturing quality and precision in the enterprises is likewise undoubtedly playing a role in this connection.

To what extent there will be success in industrial practice in this attempt to overcome as quickly as possible the hitherto "Sleeping Beauty existence" of the factor of design is another story.

There is no doubt about the commitment of the leadership of the AIF. Rather, a question arises instead about the commitment at the base--that is, among the enterprises, because observations made "on the spot" at the conferring of one prize conveyed if anything the impression of a general disinterest, which could already be concluded from other instances as well.

Thus, an employee of the AIF commented on the "Design Resolution" of the SED Central Committee, apparently with all due caution: "This resolution aims at a high effectiveness of designing achievements in industry, and thus it reflects at the same time a historically determined mode of designing--its time of arrival is essentially overdue."<sup>72</sup> But, it could be added, in any case one can anticipate that it will take a long time to really get under way as well.

#### FOOTNOTES

1. E. I. Auer (introduction to the catalog): "Die gute Industrieform" [Good Industrial Design], Hannover, 1979, p 2.
2. See "Design in a Socialist Planned Economy or Free-Market System" (convention report on the conference of UNESCO and the International Foundation for the Communication of Culture in March 1979 in Paris), in: "Design-Report," publisher: Council for Designing, Darmstadt, No 3/1979, p 6.
3. See M. Kelm: "Produktgestaltung im Sozialismus" [Product Designing Under Socialism], Berlin (East), 1971.
4. M. Kelm, in: "Impressions of the Trade Fair," Voice of the GDR, on 16 March 1979 (RIAS [Radio in the American Sector] Monitoring Service).
5. Federal prize offered by the Federal minister for economics, which has been announced yearly since 1969 for a certain subject area. See "Announcement on the Decree Concerning the Offering of the Federal Prize 'Good Form' of 1 March 1979," Federal Gazette No 46 of 7 March 1979.
6. The Council for Designing was founded by resolution of the German Bundestag in 1951 as a private-law institution.
7. "Order Concerning the Conferring of the Incentive Prize for Good Design Achievements" of 11 August 1978, GBl [Legal Gazette], Part I, No 28, p 315.



8. See "First Design Incentive Prize Conferred," in: **INFORMATIONSDIENST (ID) INDUSTRIELLE FORMGESTALTUNG**, 4/1979, publisher: Office for Industrial Design, Berlin (East), pp 10-11.
9. See in this connection "Advanced School for Industrial Design Marks 20 Years," in: **MAGAZIN AM NACHMITTAG**, Radio GDR I of 18 May 1978.
10. See "Signal for Design Quality," in: **FORM + ZWECK**, Trade Journal for Industrial Design, Vol 10, Berlin (East), No 6/1978, p 2.
11. The abbreviation AIF is used in the FRG by the "Union of Industrial Research Associations, e.V." in Cologne. See "Handbook of German Learning and Research Institutions," Essen, 1978, p 741. In what follows, by AIF is understood exclusively the Office for Industrial Design in the GDR.
12. "Ordinance Concerning the Offering of a Design Prize of the GDR" of 10 August 1978, **GBI I**, No 31, p 342.
13. See "Order Concerning the Awarding of the Design Prize of the GDR," attachment to: *ibid.*
14. According to the promotional insert for these events in the ID, 4/1979.
15. "Order," *loc. cit.* (note 13).
16. Guideline of the AIF of 20 July 1978, quoted from: "Signal," *loc. cit.*, p 3.
17. "Signal," *loc. cit.* (note 10), p 2.
18. *Ibid.*
19. "By-laws of the Office for Industrial Design of the Council of Ministers" of 10 November 1978, **GBI I**, No 39, § 3, p 422. According to § 3.2, the AIF is to "concentrate" on those selected products which "are stipulated in the 'Nomenclature of Products Subject to Registration and Testing.'"
20. H. Worner: "Ancillary Industry Bears a Great Responsibility for High-quality Consumer Goods Production," in: **PRESSE-INFORMATIONEN**, No 144 (4571) of 7 December 1978, p 2.
21. "State Secretary Distinguishes GDR Products With the Title 'Good Design'" in: **TAGES-INFORMATION** (Press Center of Leipzig) of 14 March 1978, Third Series, p 1.
22. "Target Bonus for Designers," in: **FORM + ZWECK**, 6/1978, p 48.



23. M. Kelm: "Produktgestaltung," loc. cit. (note 3), p 80.
24. See catchword "Industrieformgestaltung" in "Oekonomisches Lexikon," Vol A-K, Second Edition, Berlin (East), 1970, pp 946-947.
25. "If the Cream is Gone, Only Skim Milk is Left," interview with E. Andrae, TRIBUNE of 22 September 1978, p 5.
26. M. Kelm: "The Fulfillment of the Main Task and the Contribution of Designing" (paper at a colloquium of the Leipzig School of Commerce in March 1978), in: WISSENSCHAFTLICHE ZEITSCHRIFT, Leipzig School of Commerce, No 3/1978, p 26.
27. W. Ulbricht: "The Program of Socialism and the Historical Tasks of the Socialist Unity Party of Germany," SOZIALISTISCHE DEMOKRATIE of 16 January 1963, supplement, p 69.
28. Ibid., p 68.
29. See ibid.
30. W. Ulbricht: "Das neue oekonomische System der Planung und Leitung der Volkswirtschaft in der Praxis" [The New Economic System of Planning and Management of the National Economy in Practice], Berlin (East), 1963, p 105.
31. Ibid., p 108.
32. Ibid., p 106.
33. See GB1 II, 1963, No 64, pp 468-69.
34. See "Order Concerning the Central Institute for Design," GB1 II, 1963, No 93, p 739.
35. "Principles Concerning the Incorporation of Designing in Goods Classification," in: "Directives and Communications of the DAW," 1964, No 3, p 18; quoted from: M. Kelm: "Produktgestaltung," loc. cit., p 165.
36. "Order Concerning Status and Tasks of the Council for Design and of the Central Institute for Design" of 31 August 1965, GB1 II, 1965, No 92, p 667.
37. See Kelm: "Produktgestaltung," loc. cit. (note 3), p 121.
38. Ibid., p 124.
39. See "Ordinance Concerning the By-laws of the German Office for Measurement and Commodity Testing" of 18 December 1969, GB1 II, 1970, No 15, p 105.

40. See GBl II, 1970, No 15, p 118.
41. Announcement, GBl II, 1972, No 6, p 65.
42. "Order Concerning Contract Control and Supervision in the Sector of the Designing of Industrial Products in the Economy of the GDR" of 5 June 1973, GBl I, 1978, No 35, p 373.
43. See "Order No 2<sup>1</sup> Concerning Contract Control and Supervision in the Sector of the Designing of Industrial Products in the Economy of the GDR" of 4 November 1977, GBl I, 1977, No 36, p 412.
44. See "Order Concerning the Outline of a Duties Record Book for the Development and Improvement of Products, Techniques, and Technologies--Duties Record Book System," GBl I, 1977, No 14, p 145.
45. "Order No 2<sup>1</sup> Concerning the Central National Calculation Standard for the Formation of Industrial Prices," GBl I, 1978, No 30, p 339.
46. "By-laws of the Office for Industrial Design--Resolution of the Council of Ministers," GBl I, 1978, No 39, p 421 ff.
47. H. Hirdina: "FORM + ZWECK: 10 Years of a Trade Journal" in: FORM + ZWECK, 1/1978, p 2.
48. Authors' Collective: "Jeder liefert jedem Qualitaet!" [Each Person Supplies Every Quality!], Berlin (East), 1978, p 9.
49. "Order Concerning the Course of the Elaboration of the National Economic Plan and of the Government Budget," 1979, GBl I, 1978, No 17, p 211.
50. M. Kelm: "High Achievement and Good Form as a Measure of Quality," NEUES DEUTSCHLAND [ND] of 28 June 1978, p 5.
51. G. Beil: "Growing Expectations From the Foreign Trade of Our Republic," ND of 28/29 April 1979.
52. R. Georgi: "The Designing of Effective Production Processes is Important," *ibid.*
53. W. Jarowinsky: "From the Report of the Politburo to the Tenth Conference of the SED Central Committee," ND of 27 April 1979, p 3.
54. ND of 25 May 1978, p 4; in addition there are the measures for the improvement of consumer goods production and of exports--see in this connection: K. Erdmann: "Obstacles to Intensification and Improvement of Efficiency at the Midway Point of the 5-Year Plan in the GDR--Aspects of the Organization of Production and Formation of Collective Combines," FS-ANALYSEN, 4/1978, p 37.

55. See M. Kelm: "Produktgestaltung," loc. cit. (note 3), p 64.
56. K. H. Burmeister: "For the Next Years" in: FORM + ZWECK, 5/1978, p 26.
57. See M. Kelm: "Produktgestaltung," loc. cit. (note 3), p 129.
58. M. Kelm: "The Fulfillment," loc. cit. (note 26), p 23.
59. See in this connection the statements of M. Kelm, *ibid.*
60. Press conference of the AIF on 13 March 1979 in Leipzig.
61. M. Kelm: "The Fulfillment," loc. cit. (note 26), p 24.
62. F. Dinse: "Designers in Industry," in: FORM + ZWECK, 5/1978, p 4.
63. *Ibid.*
64. M. Kelm: "High Achievement," loc. cit. (note 50). The different data on the number of employed designers in the GDR show discrepancies.
65. See M. Kelm: "Design in Consumer Goods Production," in: EINHEIT 2/1979, p 180.
66. M. Kelm: "The Fulfillment," loc. cit. (note 26), p 24.
67. F. Dinse: loc. cit. (note 62), p 4.
68. M. Kelm: "High Achievement," (note 50), loc. cit.
69. See M. Kelm: "Design," loc. cit. (note 65), p 178, and "Utilize Our Great Potential for the Main Task," ND of 16 October 1978, p 3.
70. M. Kelm: "Join in Commodity Developments," in: FORM + ZWECK, 1/1979, p 3.
71. Press conference of the AIF on 13 March 1979 in Leipzig.
72. F. Dinse: loc. cit. (note 62), p 4.

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EXPANSION OF MAIL, TELEPHONE SERVICE CITED

East Berlin PRESSE-INFORMATIONEN in German No 93, 14 Aug 79 pp 5-6

['Facts and Figures' report by Press Office, Chairman, GDR Council of Ministers: "Continual Development of the Postal and Communications System"]

[Text] In the sphere of socialist competition, almost 7,000 collectives of the postal and telecommunications system, in which more than 90 percent of all workers are active, are struggling to fulfill and surpass the plan targets. In this connection, the performance comparison, which is oriented toward learning from those who render the best performances, is gaining in importance. Whereas, in 1971, 42.6 percent of all collectives compared their achievements and consulted about successful methods and rational procedures, twice as many collectives did so in 1978. Some 88.4 percent of them are keeping management books and on this basis are publicly evaluating the competition results.

Many collectives rely on Soviet innovators' methods. Thus, for instance, more than 90 percent of the collectives are already working in conformance with the principle of perfect work on the basis of the Saratov system, and more than 80 percent are making use of the Bassov initiative in order to prevent accidents and average. A total of 26 different Soviet innovator methods are being applied in the postal and telecommunications system. More than 60 percent of the collectives are writing "plan notes."

In the 30 years of the existence of our republic, the innovator movement has had a favorable development in this sphere. More than 36 percent of all workers participated in it in 1978. They solved 9,372 tasks within the framework of innovator agreements. In the same year, a profit of 16.5 million marks was obtained from innovations. In the first 6 months, 6,100 tasks have already been solved within the framework of innovator agreements.

In the period from 1972 to 1978, participation of young people in the MPM [Fair of the Masters of Tomorrow] movement has risen from 21 percent to almost 48 percent. The number of exhibits grew from 1,164 to 2,352. The apprentice collective of the enterprise school of the Deutsche Post [German Postal Service] bezirk directorate in Rostock at the 21st Masters of Tomorrow Fair of 1978 received the Young People's Innovator Prize of the directorate

of the FDGB [Free German Labor Federation] and the central council of the FDJ [Free German Youth Organization] for its "Labeling Equipment for Press Items" exhibit.

Fifteen youth brigades of the German Postal Service with 150 young people from all bezirks of the Republic are presently working on the central youth project "FDJ Initiative Berlin." They are laying and installing cables for connecting the new local exchanges to the telecommunications cable network.

In Berlin-Marzahn, the biggest investment complex of the capital, a main post office, a mail collection and delivery post office, five postal collection points in service installations, six mail distribution and delivery stations, and several postal newspaper vending facilities are, among others, set up for providing postal services.

In new housing areas of the GDR, more than 250 modern postal collection offices have begun operations in the past 10 years. Many new self-service post offices make it possible for customers to avail themselves of postal services without having to spend their time waiting at counters.

At the present time, the German Postal Service is producing for its various branches approximately 350 different types of rationalization means, from simple devices and tools to complicated electronic installations. During the past 3 years, production was increased by 22 percent to 62 million marks. Thus it was possible within a short time to improve the technologies of the operational services of all branches of the postal and telecommunications system and to reduce difficulties impeding the work to be done, particularly with respect to turnover processes, and to achieve savings in the number of employee slots.

Until 1957, the laying of telecommunications cables involved strenuous physical work. In 1958, The German Postal Service began to work with its first mechanized cable-laying equipment, as a result of which there was a tenfold increase in the productivity of ground-cable laying operations. With the presently used three types of cable-laying equipment for different tasks, approximately 20,000 kilometers of cable have been placed underground.

Letters, parcels, and small packages are today being processed more economically and transported through the use of new technological methods. The tasks of the great number of small processing stations for handling letters which, for instance, amounted to 1,500 dispatch offices in the 1950's, now are being handled by 46 letter distribution centers and nine parcel-handling centers. This at the same time was the prerequisite for the effective employment of modern technology. Included in this are semiautomatic letter distribution machines in the postal traffic centers and stationary conveyor and distribution installations. New, completely mechanized centers were constructed in Zwickau, Neubrandenburg, and Ludvigalust. At the present time, 7.4 million citizens are being served via 56,000 parcel delivery compartments and 470,000 letter delivery compartments.



Postal newspaper distribution attained a dynamic rate of development in the past 30 years. German Postal Service employees today make it possible for millions of readers to receive their newspapers by subscription or to buy them at one of the 20,600 vending facilities.

In 1955, the telephone traffic was handled by 1,559 local exchanges, of which 403 were operated manually. In 1976, there were 2,282 local exchanges. Since 1976, all local traffic has been handled automatically. The rate of automation of the national telephone traffic rose from 7.3 percent in 1960 to 93 percent in 1979. In the past 30 years, the number of telephone calls registered an eightfold increase.

In the year of the foundation of our republic, approximately 300 participants were able to engage in teletype communication via seven manual exchanges. Today, there are more than 40 times as many telex connections. This traffic has been fully automated since 1955.

In 1949, there existed seven medium-wave transmitters with a transmitting power of between 20 and 100 kilowatts. In operation today are 20 new high and-medium-capacity medium-wave transmitters and 34 low-capacity transmitters. The ultra-short-wave transmitter network, construction of which began only after 1950, is reaching approximately 90 percent of the GDR population with its 44 transmitters. In 1964 there began the first stereophonic transmissions, and in 1976 began transmissions recorded with special recording heads. In 1978, the ultra-short wave radio service transmitted 209 hours of stereophonic programs per week.

In 1949, the first radiocommunication service was established for the mobile marine radio service via the Ruegen coastal radio station. Construction of the receiving and transmitting center in Glowe and Lohme in 1952 and the activation of ultra-short wave installations in 1963 for the coastal areas significantly improved the mobile marine radio service.

In 1952, GDR television began its official program. Today there are 12 television transmitters for the First Television Program and 11 television transmitters for the Second Television Program. In addition, there are numerous small television transmitters and auxiliary stations. Approximately 78 percent of the television program hours are transmitted in color.

The setting up of the radio service system between permanent stations, the directional radio system, began in 1953. It was an important prerequisite for the introduction of direct distance dialing within the GDR as well as with other European states. With the activation of the INTERSPUTNIK 1976 ground radio station, the German Postal Service for the first time in the history of its radio activities set up a cosmic connection as a communications carrier.

The rebuilding of the Nauen and Koenigs Wusterhausen transmitters and the reconstruction of the Beelitz receiving station made it possible to expand

the Europe and overseas traffic of the German Postal Service, press transmission services, and other directional radio services to such an extent that it is today possible to establish connections with states on all continents.

In the past years, extensive material and financial means have been made available for the care and support of German Postal Service personnel. At the present time, 412 plant kitchens and enterprise canteens are delivering warm noonday meals or are offering breakfast to the workers.

In the year of the foundation of the Republic, 450 children of German Postal Service employees spent happy vacation days in enterprise vacation camps. 11,000 children did so in 1978. It is a particular concern to find good accommodations and to care for the children of German Postal Service employees, 70 percent of who are women. At the present time, the requirements for kindergarten space are being met to the extent of 98 percent through accommodations owned by the German Postal Service as well as through accommodations in communal institutions.

In the directorates and offices of the German Postal Service there presently exist 353 enterprise cultural groups with 4,629 members, including 1,779 young people. Many collectives have participated successfully in kreis, bezirk, and national competitions.

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FIRST CONSTRUCTION HALT FOR PRIVATE VACATION HOUSING REPORTED

Bonn INFORMATIONEN in German No 12, Aug 79 pp 8-10

['Background' report by FRG Ministry for Inner-German Relations: "Construction Halt for Private Bungalows and Vacation Homes"]

[Text] The Frankfurt/Oder Bezirk Council has now come out as the first GDR council to decree a construction halt for bungalows and weekend and vacation homes. Affected by the construction halt are, along with such homes for private persons, also facilities meant to be constructed outside of the plan by state-owned enterprises, cooperatives and others (e.g. small-trades chambers of commerce). Frankfurt Bezirk thereby showed itself responsive to the demands raised by SED General Secretary Erich Honecker, who announced at the tenth SED Central Committee plenum on 26 and 27 April 1979 that construction projects that were not so very urgent should be postponed for economic considerations. Honecker had complained before the Central Committee that time and time again the attempt had been made in the past "to shove less important projects into the plan," and he demanded that "project by project" should be checked.

In explaining the construction halt, Heinz Kaetzmer, in charge of recreation on the Frankfurt/Oder Bezirk Council, pointed out in the SED bezirk paper NEUER TAG that the bezirk had "already over 40,000 bungalows and summer-cabins, and furthermore the vacation sites of the FDGB, summer camps for children, centralized pioneer camps and youth hostels with a total of 42,000 vacancies." That is why in most of the camping sites of the bezirk they had "reached a point where such a development could for various reasons not be continued like that anymore." It was a matter of the "demands made on natural resources as much as the thereby arising demands on construction and installation materials, energy and water supply, sewage disposal and all the way to assuring the supplies of everyday-need commodities."

Frankfurt Bezirk, Kaetzmer continued, with its wooded areas and waters, which amounted to 6.7 percent of the forest land and 10.8 percent of the inland water area of the GDR, offered exceptionally good conditions for recreation and tourism. Yet one should have to make sure for right now and for the future generation "that these natural resources of our environment remain usable for the recreation of the entire population or are further developed to that end."

In any case, they want to explore in Frankfurt/Oder where further sites for recreational purposes offer themselves. In the future they are to be set up especially in areas "that are not settled or are only sparsely settled and where the demands arising for energy and water supply and other requirements resulting from it can be met without affecting the forest land." For the time being, the bezirk council however is "orienting toward active recreation in the small gardens and gardening plots."

#### Old Doubts

Measures such as have now been taken in the Oder Bezirk are nothing new in the GDR. As long ago as in October 1974, Construction Minister Wolfgang Junker, member of the SED Central Committee, advocated halting the construction of dachas--as they are called in the vernacular--in wooded areas. The minister was worried at the time that an increasingly extensive construction of private bungalows might jeopardize the central housing construction program. Contesting East Berlin's WOCHENPOST, Minister Junker insisted planned construction tasks would have to be met at any cost. For that reason, "the realistic possibilities for making material available" ought not to be ignored in licensing private recreational structures and garages. It meant that, for instance, bungalows with a bathroom, basement and so forth and other substantial recreational structures could no longer be authorized.

As the example of the Frankfurt/Oder Bezirk demonstrates, those who built the dachas in wooded areas still had the chance afterwards to get the requisite licenses and, above all, the material that was needed. But this building procedure was objected to time and time again. In October 1974, for instance, the East Berlin journal SOZIALISTISCHE FINANZWIRTSCHAFT reported some investigations had established that "discriminatory" decisions had been made among the persons benefited by the issuing of construction licenses, standard allowances for material were often set aside, and construction sites were frequently made available too generously.

Frequent criticism comes from segments of the population to the effect that the private dachas are, in particular, built at the most beautiful spots. Walter Niemke, professor of engineering at East Berlin's Building Academy, objected to building such houses "at points of culmination in terms of the landscape, at dominating heights with fine views, for instance, at the edge of woods, or at the banks of rivers and lakes. That limits the potential recreational value of the environment which is supposed to benefit all people."

Nor could it be immaterial to society, Niemke said, that some citizens--usually by deviating from original designs--would want to overtrump each other in their new construction and modernization measures by exaggerated and individualized promptings of taste.

#### Criticism of the Builders

NEUE DEUTSCHE BAUERNZEITUNG, put out by the SED Central Committee, often expresses criticism of the "special requests" from private builders. Some readers had written in to the editorial board they were "disappointed to have had to forgo a number of refinements such as a garage with a roof garden, a fully tiled bathroom and things like that." Such requests had been turned down by the competent building authorities. The SED paper reminded those who had complained that "unnecessary luxury" was not justifiable in the interest of overall housing construction. A bathtub did not have to be tiled all the way up to the ceiling for someone to take a bath in it. That kind of construction measures would be an additional burden on material supplies, for there were certain materials, such as central heating units and tiles, which were not yet available at the desired volume.

The charge that the personnel in the construction offices were bureaucrats and "only envied neat looking houses" was something the SED paper turned off as "not to the point." The functionaries in those offices had "properly rejected such unjustifiable special requests" in strictly abiding by the laws.

The East Berlin journal ARCHITEKTUR DER DDR, in its most recent edition, furthermore remarks that GDR housing construction "places a higher demand on construction sites allowing us no carelessness with respect to our environment." Since 1950 the GDR's agricultural and forestry acreage has been reduced by approximately 284,000 hectare. The architectural journal writes: "A figure which should make a city builder and architect sit back and think. We urgently need this struggle for our soil, the most important means of production in our agriculture and forestry and the crucial basis for feeding our people. Simultaneously this connects with the desire to preserve the landscape, the forests and fields, as a source of recreation and joy for men."

The journal therefore demanded "the greatest care in dealing with construction areas and the kind of planning that still preserves a future for the flowers and trees in the city too." Instead of spreading built-up areas what is demanded is "a greater settlement density in giving socialist urban construction a better chance for shaping our environment in a manner that is friendly to life."

#### Worries by the Owners

Many dacha owners are now also worried by the demand that building sites should no longer be allotted as generously as they used to be. Letters to the editors of various newspapers and journals of recent vintage reveal they are afraid they will lose their lease in the contest for space for home construction.



The LPDL central organ DER MORGEN has tried to reassure the dacha owners: The local organs allocating "appropriate real estate to citizens for horticultural and agricultural use, for garage construction or recreational purposes" had long considered "which areas could be made available for such purposes long-range. For that reason the user's right is normally granted for an unlimited period or contractually." It did then add, however, that the contract may be canceled "for socially justified reasons by the legal title-holder of the state-owned soil," saying: "Socially justified also means that some real estate might be needed for special economic reasons. Building one's own home is of course economically important."

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CSO: 2300

## GERMAN DEMOCRATIC REPUBLIC

### CROP, WEATHER REPORT PUBLISHED FOR JULY 1979

East Berlin FELDWIRTSCHAFT in German Vol 20 No 9, Sep 79 p 432

[Report by Dr. D. Krumbiegel, GDR Meteorological Service, Central Weather Bureau, Potsdam]

[Text] The Weather in July 1979

Except for the end of the month, daytime average air temperatures were below normal. It rained a great deal. Beginning with midmonth, rains often were substantial. Duration of sunshine was greatly below normal, especially in the southern GDR.

The below normal daytime average air temperatures up to 28 July showed for a total of 21 days deviations between  $-3$  and  $-5^{\circ}\text{C}$ . Subsequently the weather was somewhat too warm. Daytime maxima mainly lay in the range between  $16$  and  $20^{\circ}\text{C}$ . Maxima between  $20$  and  $25^{\circ}\text{C}$  were recorded widespread only between 12 and 14 July and from 28 July on. Only 13 and 29 July saw maxima around  $25^{\circ}\text{C}$  in wide areas. The minima of night ground temperatures lay mainly around  $10^{\circ}\text{C}$  or between  $5$  and  $10^{\circ}\text{C}$ . In the night from 2 to 3 July there were local ground frosts in the southern GDR (in the mountains, down to  $-2^{\circ}\text{C}$ ). The second, fourth and fifth 5-day periods had exceptionally little sunshine.

From 2 to 6 and from 10 to 12 July the GDR had very little rain. For the rest of the time there was much rain. Often, mainly starting at midmonth, daily volumes between 1 and 5 mm were recorded. Widespread abundant rains occurred in the southern part on 7 July (5 to 10 mm), on 18 July in the northern part (10 to 20 mm) and on 29 July (10 to 20 mm). Showers on several days produced local rain volumes between 10 and 15 mm, in some cases, up to 45 mm.

Temperature Data for July 1979 according to the Chief Climatological Office in Potsdam

#### 1. Monthly Mean Air Temperatures and Deviations from the Norm

Schwerin	$14.4^{\circ}\text{C}$	$-3.1\text{K}$	Erfurt	$14.9^{\circ}\text{C}$	$-1.9\text{K}$
Neubrandenburg	$14.2^{\circ}\text{C}$	$-2.9\text{K}$	Leipzig	$15.8^{\circ}\text{C}$	$-2.2\text{K}$
Potsdam	$15.3^{\circ}\text{C}$	$-2.8\text{K}$	Goerlitz	$14.8^{\circ}\text{C}$	$-2.7\text{K}$

## 2. Mean Precipitation according to Bezirks

Rostock	72 mm = 100%	Halle	58 mm = 83%
Schwerin	74 mm = 100%	Erfurt	72 mm = 96%
Neubrandenburg	81 mm = 107%	Gera	82 mm = 103%
Potsdam	73 mm = 100%	Suhl	68 mm = 84%
Frankfurt/Oder	76 mm = 103%	Dresden	62 mm = 67%
Cottbus	54 mm = 71%	Leipzig	72 mm = 90%
Magdeburg	67 mm = 99%	Karl-Marx-Stadt	92 mm = 97%

## 3. Evaporation Potential

Northern Bezirks	60...75 mm
Central Bezirks	70...75 mm
Southern Bezirks	65...80 mm

## Soil and Crop

Surface soil temperatures showed fluctuations. Most of the time the values exceeded longtime averages, for shorter periods they were around the longtime averages. Temperatures between 17 and 20°C were recorded around 5 and around 14 July and at the end of the month. For the rest of the time the surface soil temperatures mainly ranged between 15 and 17°C, which amounted to deviations from the norm by from -2 to -3K. In the subsoil, temperatures fell by from 1 to 3K up to the beginning of the second 10-day period. Then it became warmer around midmonth and then cooler again, but by the end of the month the temperatures went up again. With values recorded between 16 and 18°C at a 50-cm depth, and between 15 and 16°C at a 100-cm depth, temperatures on 31 July were by 1 to 2K below the longtime averages. Ground water diminished up to midmonth. Under the turf, on 15 July, down to 50 cm in depth, they often recorded only from 5 to 25 % of usable water capacity. On medium and heavy soils, especially in the southern GDR, the values partly ranged between 30 and 50 % of the usable water capacity during the same period. Rains in the second half of the month increased ground water all around. Depending on how much rain there was, ground water down to 50 cm in depth rose between 20 and 45 mm. By the end of the month they recorded there widespread between 45 and 70 percent, locally 25 to 40 percent of usable water capacity. Soil climatic processes were held back up to midmonth by water shortage. Thereafter, their conditions steadily improved, so that for the last 5-day period it may be said they were relatively favorable.

Whatever the restraining and boosting effects of the natural water shortage in the first half of the month may have been, the below normal air temperatures had the opposite effect. That diminished the negative effects on the stocks. That was true particularly for the central and southern bezirks which, in consequence of above normal or medium size rain volumes in June, found themselves in a more favorable starting position than the northern bezirks, which in the previous month had received only from 70 to 80 percent of the normal amount of precipitation. These conditions brought it about

that the ripening process for grain increased on a south-north axis and regional maturation differences were not very marked. Starting with midmonth, the rains increasingly improved the growth conditions. Adequate natural water supplies came about widespread in the course of the third 10-day period. The weather of the second half of the month favored all varieties with low temperature requirements like grasses, cabbages and potatoes. For the grain, the kernels were improved, to be sure, but disadvantages arose from the crowding due to differences in the ripening periods of the various types and varieties, resulting in preharvesting losses. For the second growth of maize the low temperatures were especially bad since their stalks were still rather small and that did not allow a stable stockclimate to form. As to the performance of assimilation, there was far too little sunshine for all plants. So the nutrition values probably have been held back all around. The initial phenological headstart, mainly in the northern GDR, was cancelled within one week, so that by the end of the month the state of the phenological development was generally normal.

Harvesting-threshing operations for winter barley were started, locally, still in the first, and widespread in the second, 10-day period and were by and large terminated by the end of the month, except for the coast and the mountains. In some areas they started in the last 10-day period with the harvesting of winter rape and winter rye. The harvesting was often interrupted by rain. In the first half of the month a need for irrigation was generally high. Starting at midmonth, drying conditions became inadequate, which favored fungus formation.

#### Meteorological Projections for Farming for September 1979

Due to the delay in the growth of maize caused by the weather, there is the danger that silo maturation will often not be achieved. Great value therefore attaches to assessing the stocks and preparing efficient harvesting operations in that the fullest use be made of growth possibilities up to the coming of early frosts. The likelihood of ground frost in the plains in the third 10-day period in September and the first 10-day period in October is 20 to 25 percent, in the second 10-day period in October, 50 percent.

The grain harvest being subjected to frequent disturbances, difficulties have to be expected about being able to abide by optimum cultivation ranges for the winter crop. The greatest value should therefore be attached to seeding operations within schedules to use the yield reserves facilitated thereby, especially in winter rye.

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CSO: 2300

# HOUSING CONSTRUCTION PROGRAM DISCUSSED

Budapest MACYAR HIRLAP in Hungarian 5 Sep 79 p 7

[Article by Foldes: "Housing Program--To 1990"]

[Text] Family and urban structure, housing open areas, transportation, environmental protection, demographic explosion and forints expendable for construction--all these before long will be such related concepts that they will be discussed in all forums on development. And we already have not only plans but also experiences--spectacular results and failures which set us to thinking. Behind us is that decade and a half in which we built in Hungary more than 1 million new homes, easing although not ending the housing shortage.

But can it be ended within the foreseeable future? Among other things, the parliamentary construction and transportation committee asked this question in Parliament on Tuesday's session which dealt--on the basis of a draft by the Ministry of Construction and Urban Development--with a comprehensive evaluation of its area selection proposals carried out at 130 settlements.

## Without Illusions

Dr Kalman Abraham, minister of construction and urban development, did not beat about the bush but gave a negative answer to the question of the representatives:

"We must overcome the illusion that we can set a definite date for solving the housing shortage," he said. "Foreign experience shows that because of the constant change in demands the problems cannot be solved completely. Presumably there will always be families who will want for themselves larger, better and more suitable homes. It is a fact, however, that while at the beginning of the first 15-year housing plan, the national average was 2.4 persons per room, but this number was reduced to 1.6 by the end of the plan period. The present program which will last until 1990 assumes that some how an optimum situation will be created by the last decade of the century one in which there will be 1.1 to 1.2 persons per room."



On the preparation of this goal and the progress, the conferring representatives--under the chairmanship of Janos Gyarmati and with the participation of Antal Janter, deputy minister of construction and urban development, and Gabor Buda, deputy chairman of the regional office of the Council of Ministers--were advised of the following. In response to the program for the next decade and a half, the profile and structure of our cities and special developments will be basically transformed. Modern technologies for large-scale construction will spread in a wide scope--the ratio of project-type, high rise housing construction will continue to increase. To cite figures: 78 percent of the new housing will be built in this way (88 percent in Budapest and 84 percent in the other large cities) at the designated 130 settlements where 850,000 to 1 million of the 1.2 million homes are to be built. In the Sixth and Seventh Five-Year Plans, and naturally in the Fifth, which is about coming to an end, a total of 300,000 homes will be built in Budapest, 100,000 in the new cities, and 450,000 in the other designated settlements.

#### Suitable Areas Are Becoming Scarce

And still the increase will not be that great. Because of obsolescence and more purposeful area management, we will have to tear down more and more old buildings, 300,000 in the settlements including 110,000 in the capital city. But it is not a matter of indifference how this will be done. Dr Kalman Abraham emphasized that we can no longer tolerate--under the guise of rehabilitation--the destruction of popular and admired buildings--the national treasures. It is a bad method to have the bulldozer appear and knock down everything in its path!

But then how? With land becoming scarce, consideration must also be given to protecting productive land (this is prescribed by law!); antipathy toward high-rise housing is also increasing (in the future residential towers will not be built anywhere in the country); the area requirement for mass housing construction comes to 138 square kilometers nationwide, and about 60 percent of this is awaiting the rehabilitation of built-up areas. We also need to look more circumspectly and move toward the inner cities. To put it plainly, we need to create harmony between the outer and inner areas. If not the inner cities will inevitably deteriorate and the homes will become less valuable than those in the new areas. On the other hand, the new urban areas can become modern residential areas only if they are built up with variety, namely, if the public institutions, the educational sports facilities are built up together with the homes, and if transportation and the road network are also developed appropriately. This is not a new observation. We need only realize our goals.

We are here speaking about a balanced urban structure, and the creation of this balance is extremely costly. In Budapest alone 10 billion forints are devoted annually to housing construction. We may add that the present budgetary situation is not in every way favorable to the realization of these national goals of restructuring. But since we are building for today and tomorrow alike, we need sound compromises. When the proposals were

prepared for the Second Fifteen-year plan--on the basis of calculations preceding the 12 October session of the MSZMP Central Committee--they discovered more housing construction needs than were targeted. This not disadvantageous, for on the selected areas a 15 percent reserve was created, and this will make it possible to prepare the areas for the Eighth Five-Year Plan. Thus the transition between plan periods can be a continuous one.

The 1 million new residences in the 130 settlements will provide homes for 2.6 million people. But to return to the costs, since the more suitable areas at most of the settlements are becoming scarce, we shall only be able to extend in the future to areas that are unfavorable from the directly economic point of view because of the relief and soil features. On the plains--for example, the Alföld--this means using the low-lying, formerly swampy areas, and in the hill areas the more steep slopes. Here are some figures which speak for themselves: by 1990 we will have to build about 1,100 kilometers of new roads, 1,400 kilometers of water mains, more than 1,000 kilometers of sewage lines, 300 kilometers of stormdrains, 300 kilometers of gas lines, and about 5,400 kilometers of overhead electric lines; we will have to increase the electric energy capacity by 3,300 megawatts (of this, the housing program will require 2,300 megawatts).

#### Questions and Proposals

Following the minister's oral remarks about urban and other specific areas of construction--he was questioned by six representatives in the discussion. Jeno Riss, among other things, inquired about the expected ratio between modern and obsolete housing (the answer was that by 1990, 70 percent of the housing will have been built after 1945). Istvan Toth emphasized that to carry out of the housing development program it is extremely important to begin smoothly. Jozsef Gocza urged differentiation in the sizes of housing units and expressed concern over the long lasting and oppressive problems of young people starting families. Jozsef Ruisz inquired to what extent the program is considering the rise of building prices in the private construction and with the disturbances of material supplies. Jozsef Marjanek objected to the population density asserting that the new cities and city sections were much too crowded, and recommended lesser density in building developments. Istvan B. Varga spoke favorably of the fact that despite the urbanization process not everyone wished to be an urban dweller. Regarding this he said present lot sizes and the present system of lot management should be reviewed. Dr Kalman Abraham replied to the questions of the representatives, and then Janos Gyarmati closed the proceedings.

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## BRIEFS

**IL-86 COMPONENTS**--The construction of the first set of the latest airbus assembly (i.e. the one following tail section construction, the so-called slots, was completed at the Transport Equipment Manufacturing Plant of the State Aviation Works-Mielec [WSK PZL-Mielec], which is cooperating with the Soviet aviation industry in the area of IL-86 large passenger aircraft production. The IL-86 can hold 350 persons at one time. The function of the slots, positioned in the forward part of the wing, is to alter the wing's so-called "edge of attack" which plays an essential role in, among other things, flattening out (wyrownanie), and above all to serve as additional airbrakes during landing. As regards their dimensions, the slots are the largest assembly being produced at WSK-Mielec. Their length measures 22 meters. As with the production of other airbus components, slots require a machining tolerance on the order of 2 microns (i.e. thousandths of a millimeter). Let us recall that WSK-Mielec has already produced a dozen or so sets of the IL-86 tail-section assembly. At present, however, the building of the first set of the next assembly is underway. These are the so-called "pylons" (wysięgniki), that is the engine nacelle pylons which serve to fasten the powerful jet engines. [Text] [Warsaw GLOS PRACY in Polish 5 Sep 79 pp 1, 7]

**SOLD PRODUCTION**--Sold production in socialized industry in July 1979 was 6.2 percent higher than in July 1978. That improvement in the rate of its growth is connected to a considerable degree, however, with the number of working days in July 1979, which was greater by one. In the comparable working period the increase in sold production amounts to approximately 3 percent. Noteworthy, however, is the July increase in market production (by 8.4 percent) and export production (by 10 percent). In sum, during the 7-month period of 1979 the increase in sold production, compared with the analogous period of 1978, amounts to 1.4 percent, while in the first half year period it amounted to 0.6 percent. [Text] [Warsaw ZYCIE GOSPODARCZE No 34, 26 Aug 79 p 5]

**LABOR PRODUCTIVITY**--In the 7-month period of 1979 the increase in sold production of industry by 1.4 percent is accompanied by an increase in the personal wage fund by 7.2 percent. In July 1979, compared with the previous months, that ratio underwent improvement, of course, but the scale of that improvement, however, was rather small for it to essentially change the situation in the 7-month period of 1979. The high remuneration for the increment in production points to the need to intensify employment and wage discipline and to accelerate the development of market production. [Text] [Warsaw ZYCIE GOSPODARCZE No 34, 26 Aug 79 p 5]

GRAIN PROCUREMENT--The procurement of grains in the 1978/9 economic year, compared to the 1977/8 economic year, increased by over 16 percent. However, this increase is associated not only with the increase in harvests but also with the intensified trend to hand the grain over for procurement in order to later base breeding on purchases of industrial fodder. In 1978, operations of this type had their justification because of the tremendous dampness of the seed which required drying in industrial equipment. This year [1979], therefore, it is worthwhile to give consideration to avoiding needless grain turnovers, especially by the State agricultural farms (PGR's), which have possibilities for drying the seed within their own area of activities. Despite that, however, they are supplying the seed to procurement points in order to then repurchase it for processing into mash [fodder mixture]. [Text] [Warsaw ZYCIE GOSPODARCZE No 34, 26 Aug 79 p 5]

SHIP REPAIR SHOP--The Szczecin shipowner, the Polish Steamship Company, is feeling a severe shortage of bulk cargo ship repair potential. These ships must go to foreign ports for all of the more substantial repairs. The Ship Repair Yard in Swinoujscie has been tasked with repairing 60-70 thousand DWT ships. A bulk cargo ship repair yard, equipped with a high capacity floating dock, is to be built here as well. The investment's first phase of preparatory work, namely drainage and land-fill work, has already been completed. The first stage of basic construction is to begin this year. [Text] [Szczecin KURIER SZCZECINSKI in Polish 21 Aug 79 p 1]

NEW CATERPILLAR TRACK DESIGN--A simplified caterpillar track design has been developed at the Stalowa Wola Metallurgical Plant. In contrast with the traditional track which, apart from steel plate itself, is composed of track pins, sleeves, screws and washers, the improved track is made up of only link and flexible connector components. A vehicle equipped with the simplified caterpillar track, therefore, is cheaper to service and can more rapidly get to work following damage repair. [Text] [Warsaw ZYCIE GOSPODARCZE in Polish No 34, 26 Aug 79 p 10]

OIL DELIVERIES--Crude oil deliveries continue from Persian Gulf ports to the Gdansk refinery. The petrochemical is being transported in the holds of large tankers of the Polish Steamship Company. Very soon a flotilla of the Szczecin shipowner's tankers will deliver more than 500,000 tons of oil to the North Port of Gdansk. The Giewont II has already been serviced at the port's fuel terminal. On 28 August 1979, the Giewont II's sister ship, the Kasprowy Wierch, moored with a 126,000 ton cargo of oil. The Czantoria and the Rysy II are the next to arrive in Poland. The Sokolica and Zawrat, on the other hand, are en route to the Persian Gulf. [Text] [Warsaw GLOS PRACY in Polish 29 Aug 79 p 1]

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## BRIEFS

SUGAR EXPORTS TO ROMANIA, FRANCE--Vojvodina sugar producers exported 11,000 tons of sugar valued at about 2.3 million dollars, and even larger exports are expected. Until about 2 years ago Yugoslavia was a big buyer of sugar on the international market. There were years when half of the Yugoslav needs were satisfied through imports. The social contract of several years ago, by which it was decided to build new factories and to increase the areas planted with sugar beets, met the domestic consumption needs from our own sources. Exports of sugar to buyers in Romania and France were carried out by the Novi Sad "Koproduct" and a Belgrade foreign trade firm; 6,000 tons of sugar were already sent to Romania, and a contract was signed yesterday in Paris for the sale to a French buyer of 5,000 tons of sugar from a sugar factory in Sremska Mitrovica. Yugoslavia was received last year into the international union of sugar exporters and was granted the approval to sell to other countries 70,000 tons of sugar from last season's crop. [Novi Sad DNEVNIK in Serbo-Croatian 9 Aug 79 p 1]

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